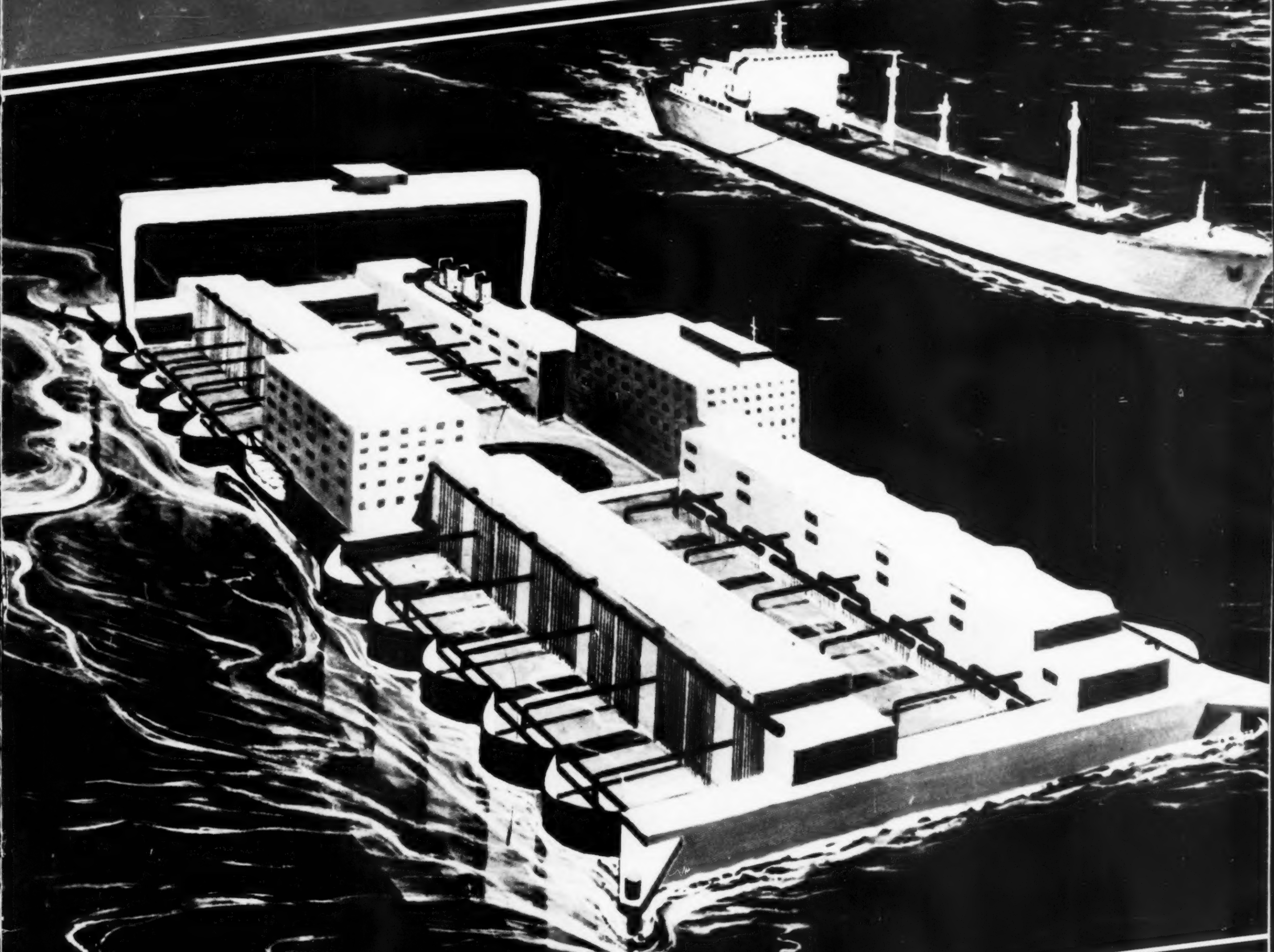
COMMERCE AMERICA
FORMERLY COMMERCE TODAY

U.S. Department of Commerce / September 27, 1976



Harvesting The Ocean's Energy

Newsmemo

Removing lead from gasoline can pit the interest of motorists against that of U.S. petrochemical workers. Phasedown in use of tetraethyl lead, per Environmental Protection Agency requirements, can result in major gasoline shortages next year. Removal of lead can be partially compensated by increased use of aromatics, including benzene, toluene and xylenes. But the latter are essential raw materials for plastics, rubbers, synthetic fibers, coatings and other petrochemical products. Aromatics are being produced at full capacity rates. Any increased supply to refineries would be diverted from petrochemical stocks. "Drastic implications," respond the petrochemical producers; a 20 percent diversion would mean a loss of 60,000 jobs, they say.

U.S. expenditures for research and development are expected to total $38.1 billion this year. This is 8 percent over last year's figure, according to the compiling National Science Foundation. Federal outlays for R & D are expected to reach $20.1 billion, and industry will spend about $16.6 billion. The remainder will be spent by colleges or non-profit institutions. Most of the increase in federal expenditures is in the defense, space and energy areas.

Exports continue as a stabilizing factor in the aerospace industry. Production employees there totaled 310,000 at the end of 1975, 45 percent below the 1968 peak of 560,000. Of the 1975 total, 169,000 or 56 percent were involved in manufacturing for export, as compared with 119,900 in 1968. This year the total of production employees is expected to fall 4 percent to 298,000, of which export production is again expected to employ 169,000. In each of the past ten years the U.S. aerospace industry has become increasingly dependent on foreign sales.

Techniques learned in current Medicaid fraud investigations will be useful in uncovering problems in other medical payment programs. A Senate subcommittee has already reported evidence of Medicaid payment irregularities. The Department of Health, Education and Welfare has launched a national campaign to uncover fraudulent activities in Medicaid, such as fee splitting, duplicate billing, and illegal drug substitution. Principal investigation targets are pharmacies, physicians, and nursing homes. Nearly 200 HEW investigators will dovetail their work with that of the Internal Revenue Service and the Department of Justice. What they discover will be applied to current third party payment plans, such as Medicare, or the proposed National Health Insurance program.

A barrel saved is as useful as a barrel produced—better in many respects. This is a comment from the first report issued by the OECD's International Energy Agency, which asks for stronger energy conservation drives in 19 industrialized nations—U.S., Canada, Japan, New Zealand, and 15 European countries. Though noting some accomplishments, the agency comments: "It is clear that most countries are not approaching energy conservation with the same intensity and applied to energy supply expansion. This is unfortunate, for there is no fundamental difference between the results of each approach."

Imports and exports, how do they move within the U.S. domestic transportation system? The Census Bureau has just begun a survey to find out, and will link the data obtained with that already available on the international movement of goods as collected in customs documents. The new survey is considerably more intensive than one made in 1970. New figures are important because of the increased use of containerization and shipper demands for information on door-to-door movements with through-bills of lading. Shippers, port officials, carriers and government officials will be aided in their cargo forecasting, analysis of trade patterns and port tributary areas, and measurement of modal distribution.

Matchmaking between export marketing firms and producers interested in markets abroad continues. A recent conference in New York put hundreds of such firms in contact with each other, to increase export sales. Now Chicago will be the scene Oct. 30-Nov. 1 of a second such event. Co-sponsors are the Commerce Department's District Office, the State of Illinois, Chicago Association of Commerce & Industry, Overseas Sales & Marketing Association, and the Illinois District Export Council.

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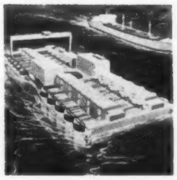

COVER: A decade hence, a fleet of 21 factory ships like that shown in this artist's sketch could be producing 40 percent of the nation's ammonia requirements, converting thermal energy into electricity and extracting metals from the sea, according to a feasibility study conducted for Commerce's Maritime Administration. Details begin on page 4.

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Published biweekly by the U.S. Department of Commerce, Washington, D.C. Annual subscription rate $29.80 ($7.45 additional for foreign mailing, $5.75 additional for domestic air mailing). Single copy $1.15. Make checks or money orders payable to Superintendent of Documents and mail to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or to any U.S. Department of Commerce District Office.

All subscription inquiries and address changes should be sent to the Superintendent of Documents, at the above address. This is the central distribution agency for U.S. Government publications.

Microfiche copy available at $2.25 per issue from National Technical Information Service, Springfield, Virginia 22151. Other inquiries should be sent to the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

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Shifts In Quarterly Projections Indicate Faster Investment Pace

This column is written by John W. Kendrick, Commerce Chief Economist, in collaboration with staff economist George Donald Hanrahan.

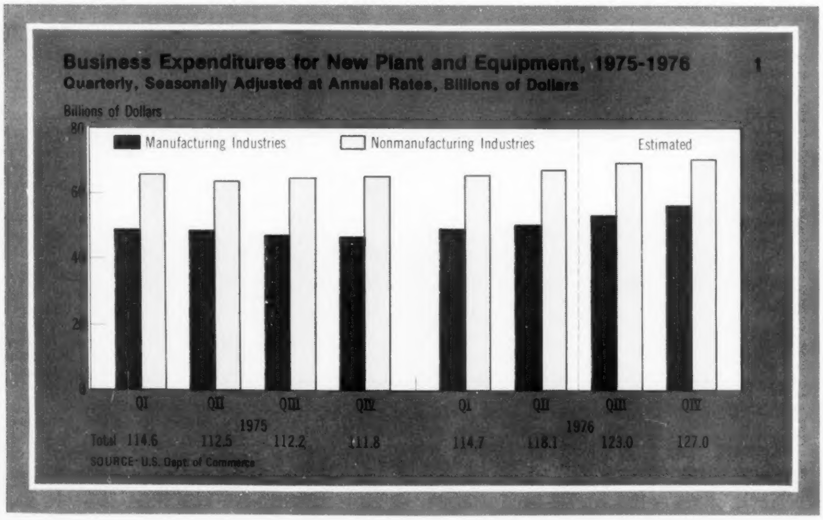
John W. Kendrick

The most recent Department of Commerce survey of business plant and expenditures shows a significant shift in the quarterly pattern of investment for the year, even though the 1976 year-to-year change is reported to be about the same as in the April-May survey. The shift implies a faster pace of business investment expansion and suggests that the overdue upswing in capital spending is now under way.

Business investment in new plant and equipment this year is expected to show an increase of 7.4 percent over 1975, but the annual rate of growth from the second quarter to the fourth quarter, as calculated from the new data, is 15.6 percent. The survey reported that the increase in actual expenditures in the second quarter was $3 billion lower, on an annual rate basis, than previously estimated, and anticipated spending in the third quarter was at the same level as in the April-May survey. However, the estimate for the fourth quarter was raised by $2.6 billion.

Plant and equipment expenditures constitute roughly two-thirds of the nonresidential fixed investment component of the Gross National Product (GNP). The price deflator for the latter group of expenditures, therefore, tends to reflect the price movement of plant and equipment. In the first half of this year, the implicit GNP deflator for nonresidential fixed investment indicated a 4.5 percent annual rate of inflation. If this inflation rate is applied to the survey's current dollar expansion rate for plant and equipment expenditures for the latter half of 1976, the result is an increase in excess of 5 percent in real terms, or nearly 11 percent at an annual rate. This development suggests a very favorable short-run outlook for investment compared to its recent performance and would provide a growth impetus to the Gross National Product. For the long run, investment pickup is essential for providing ample capacity to sustain satisfactory growth and a full employment economy.

The $118.1 billion level of actual business plant and equipment expenditures in the second quarter stood only $3.5 billion above the level of last year's first quarter, which was the trough of the recession. In the interim, as the economy was recovering, plant and equipment spending even contracted slightly until the first quarter of this year. The contraction was somewhat more in manufacturing than in nonmanufacturing. Allowing for inflation, the second quarter level was probably about 2 percent below the level of the first quarter 1975.



The lagging behavior of business plant and equipment investment during the early recovery stage of the economy is characteristic. However, business investment in this recovery and expansion has been especially sluggish. Consequently, the shift in the pattern of plant and equipment spending indicated in the recent survey is encouraging in that a sustained rise in capital spending appears in the offing.

Several key indicators related to capital investment have exhibited substantial strength in recent months. The Conference Board, a private economic research organization, reported that capital appropriations by 1,000 large firms in the second quarter were up 13 percent over the first quarter. Manufacturers' orders for nondefense capital goods in May, June, and July were up 11.5 percent over the previous three months, and the increase of 13.2 percent for July alone was a record monthly rise. A more comprehensive indicator, contracts and orders for plant and equipment, expressed in constant dollars, was up 6.5 percent in the latest three-month period, May-July, compared with the three prior months. Production of business equipment, as measured in the Federal Reserve's industrial index, showed an increase of 1.4 percent in the June-August period over the prior three months. Thus, the leading indicators, such as appropriations and orders, show a much stronger pattern in recent months than the indicators of current production.

The anticipated increase in plant and equipment expenditures from the second to the fourth quarters this year, as reflected in the Department of Commerce survey, is primarily in manufacturing, as the table indicates. Investment in the durable and nondurable goods industries is expected to expand at about the same rate. On the basis of the survey data, the table ranks the major industries by their intended capital expansion rates over the second half of the year. The planned expansion of investment in the paper industry is particularly rapid, and the expansion rates for the machinery, transportation equipment, petroleum, and chemical industries are strong. Aside from the rubber industry, the contraction in investment is concentrated in the transportation sector of the economy. The industries near the top of the ranking have been experiencing high utilization rates of their productive capacity.

Plant and equipment investment typically responds to changes in corporate cash flow. The significant increases of corporate profits over the five quarters since the trough of the recession, which occurred in the first quarter last year, have contributed greatly to the swell in cash flow and thus provided a favorable environment supporting investment. In this recovery, cash flow advanced 34 percent in the five quarters from the trough quarter, but business plant and equipment expenditures increased only 3 percent in that period. This response appears quite abnormal in comparison to prior recoveries, in which the expenditures for plant and equipment usually expanded about half as fast as the cash flow, as indicated in the comparative analysis presented in Chart 2.

But cash flow, although it is a primary influence on investment, is only one of several determinants. The capacity utilization rate is another explanatory factor. When sustained sales demand pressure is exerted on production facilities, investment plans are stimulated. Although the Federal Reserve Board's capacity utilization rate estimates used in this analysis are presently being revised to correct the levels, the percentage changes are useful for comparative analysis. The low capacity utilization rate experienced in this recovery relative to the past served apparently to retard the investment thrust. Business investment decisions have likewise been affected by negative attitudes ranging from a concern about the fluctuations in consumer confidence to the outright fear connected with the visualization of a highly reflated economy if spending became too vigorous.

Two additional factors entering investment decisions are the ratio of changes in the labor cost to the capital cost and the long-term rate of interest. The corporate bond rate fell somewhat after the trough of the recession, and again since May, and availability of long-term funds has generally been favorable.

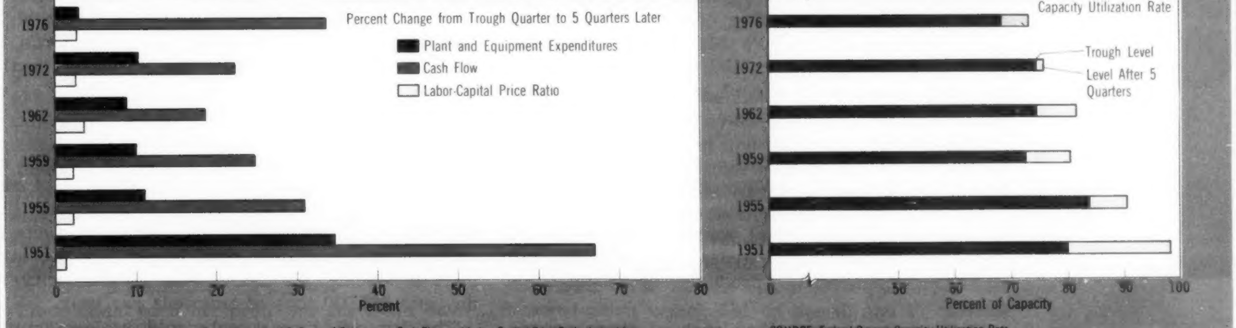
Expenditures for New Plant and Equipment by U.S. Business Quarterly, Seasonally Adjusted

Estimated Percent Change from Second Quarter to Fourth Quarter 1976	
All industries	7.5%
Manufacturing	11.2
Durable	10.0
Nondurable	12.1
Nonmanufacturing	4.8
Individual industries	
Paper	29.6
Machinery except electrical	17.2
Transportation equipment	16.7
Electrical machinery	16.1
Petroleum	12.5
Chemicals	12.2
Public utilities	10.3
Communication, commercial and other nonmanufacturing	8.9
Stone, clay, and glass	7.6
Textiles	7.4
Other nondurable manufacturing	6.6
Other durable manufacturing	5.6
Mining	5.0
Food including beverages	4.9
Primary metals	2.3
Rubber	− 4.8
Air transportation	− 9.0
Other transportation	−26.4
Railroads	−35.2

Short-term changes in the labor-capital price ratio can also influence investment. The labor-capital price ratio used in Chart 2 is simply the index of the average hourly earnings in manufacturing five quarters after the trough based on the trough value as 100.0 in the numerator and the corresponding index for the price of nonresidential fixed investment in the denominator. The percentage change in this ratio is given in the chart. A faster rise in the labor-capital price ratio would favor investment because the labor hourly cost is rising faster than the price of capital. The influence of the change in the relative costs of labor and capital on investment, however, must be weighed within the context of a given change in cash flow and capacity utilization rate. The percent change in the recent recovery of the labor-capital cost ratio appears to be the same as the change in the preceding recovery and should signal that similar conditions in respect to relative costs of resources prevail. Given that the labor-capital cost relationship is similar to that of the 1972 recovery and the rate of capacity utilization not decisively less in the second quarter this year than at a similar point in the earlier recovery, the plant and equipment investment response appears to be 10 percentage points less than the 1972 response. This situation suggests that, if a catchup reaction should occur, it could mean significant further production impetus.

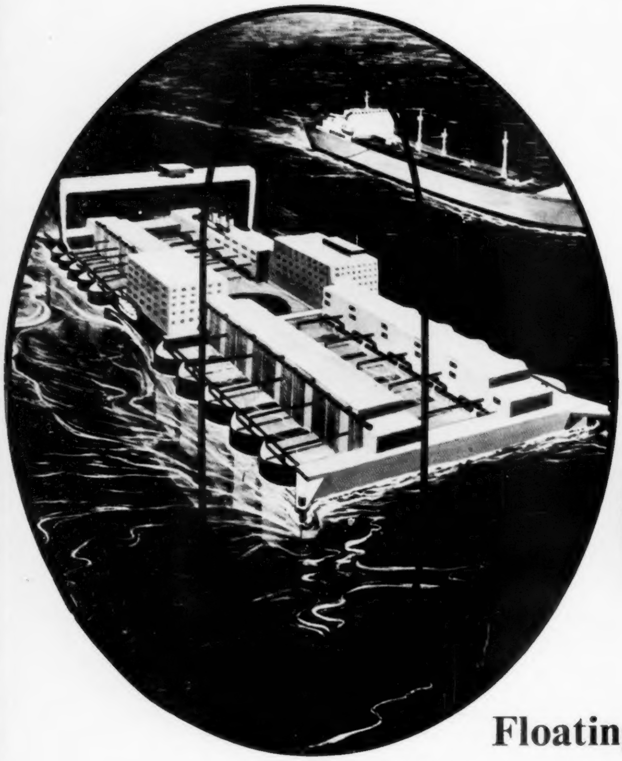
These determinants of investment and others will continue to affect capital expenditures plans and actual flows in what is know to be a complex decision process. The shift in the year's pattern of capital spending suggested by the new plant and equipment spending survey, as well as by the additional supporting data, signals that the long-awaited upswing is here. ☆

Business Fixed Investment and Determinants in Recovery Periods 2



SOURCE: Plant and Equipment Expenditures – U.S. Dept. of Commerce; Cash Flow and Labor-Capital Price Ratio derived from U.S. Dept. of Labor and U.S. Dept. of Commerce data.

SOURCE: Federal Reserve Capacity Utilization Rate.



cean

Floating factories could harvest 40 percent of nation's ammonia needs

Five-hundred-thousand-ton factory ships, gently moving across tropical seas, may be helping to solve this nation's energy problem within the next decade.

By 1986 a fleet of 21 specialized commercial vesels could be producing as much as 40 percent of the national ammonia requirements out of energy derived from the oceans, at a considerable saving in natural gas which now is the principal raw material used in making ammonia.

This is the major finding of a 12-month study conducted for Commerce's Maritime Administration by the Johns Hopkins University Applied Physics Laboratory. It is one of several such studies under way on ocean resources in solving the energy problem.

Entitled *Maritime and Construction Aspects of Ocean Thermal Energy Conversion (OTEC) Plant Ships,* it studied the feasibility of building vessels to convert ocean thermal energy into electricity and to produce ammonia, hydrogen, aluminum, and other energy-intensive products at competitive costs.

The report proposes that each of these vessels could produce 1,600 tons of ammonia per day, by "grazing around" at speeds below one knot in the tropical seas, where the temperature differential between surface waters and the depths is highest. The capital cost of such vessels varies inversely to the temperature differential of the available water, so the tropical location could reduce costs by a factor of as much as 2.5 from a site located near the U.S. coast.

The OTEC vessels would produce electricity, by piping aboard warm surface water to evaporate ammonia in a closed system, creating a vapor which would drive turbine electrical generators. The vapor would then be condensed by cold water drawn from depths of 2,500 feet, and the cycle would begin again.

The electricity generated by this process would be used to electrolyze water to produce hydrogen and to power an air liquefaction plant to produce nitrogen. The hydrogen and nitrogen would then be compressed together to form ammonia. The ammonia would be stored at -28 degrees Fahrenheit until it could be loaded aboard ammonia tankers.

The vessels would require no new technology. As designed, American shipyards could start working on a demonstration model today. "This is a highly 'doable' approach," according to the report's authors, who recommend "in the strongest possible terms" that it be tried.

500 megawatts per day

The report recommends that a demonstration vessel capable of producing 100 megawatts of electricity per day be built and in operation by 1981. Between 1982 and 1986, the report suggests, 21 commercial-size vessels could be put into operation, each producing 500 megawatts of electricity per day and 586,000 tons of ammonia per year.

The demonstration vessel would displace approximately 141,600 tons and cost approximately $124 million. It would be 476 feet long and 196 feet wide, and would be equipped with heat exchange

energy

machinery, auxiliary equipment, a 10,000-ton ammonia storage area, and sleeping and recreational quarters for 31 crewmen.

The commercial-size vessels would displace between 500,000 and 600,000 tons, and would require 39 crewmen each. The cost of the commercial vessels is estimated to range from $491 million for the first to $367 million for each of the last 15.

Although such vessels would be capable of extracting several energy-intensive products from the ocean, the near-term emphasis would be expected to center on ammonia. It is a vital component in fertilizer production, which accounts for 75 percent of present U.S. ammonia consumption. Currently, production of ammonia accounts for about 3 percent of U.S. natural gas usage, and projections are that it may require more than 7 percent by 1985 and 11 percent by 1990.

In view of the outlook for natural gas supplies, the United States clearly could use an alternative to ammonia production.

The report also lists these other likely benefits from a successful OTEC/ammonia program:

- An annual savings of 500 billion cubic feet of gas, about 3 percent of the 1986 U.S. natural gas supply. This would benefit each of the 32 million American households using natural gas;
- 101,000 new jobs in U.S. shipyards;
- 1,600 new U.S.-flag shipping jobs;
- Additional jobs in the aluminum industry, in concrete, in steel, and in the industrial equipment sector;
- Farmers would benefit from any long-term fertilizer price improvement, and
- There could be a net profit for the plant owners of the sixth and subsequent ships of about 50 percent on sales per ship per year.

Successful development of OTEC/ammonia plant-ships could also lead to the sale of that technology or the plant-ships themselves to other nations lacking large supplies of fossil fuel, the report indicated.

The relatively high investment required for these vessels remains a matter of concern, the authors note. However, detailed cost estimates in the report indicate that, at a production cost of $96 per ton f.o.b. New Orleans and a selling price of $180 per ton, the investment costs can be recovered in 5½ years. After that, the money would start rolling in, if the estimated profits listed above prove realistic.

However, the report concludes that government assistance will be required for the earlier commercial vessels to produce ammonia at this price.

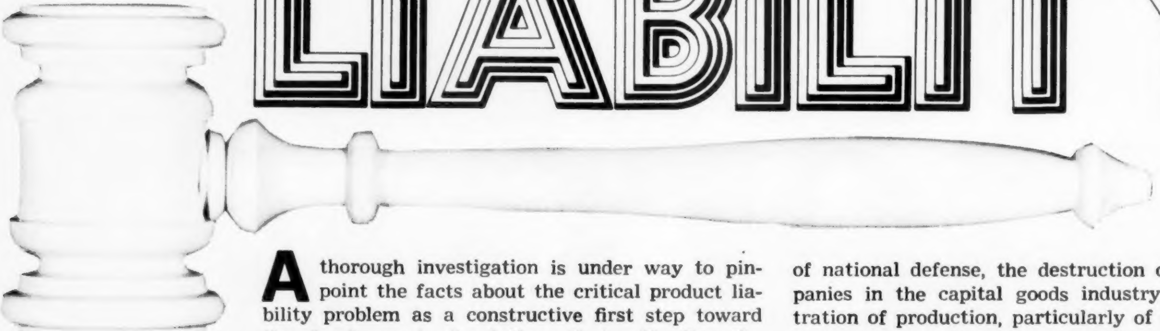
A favorable economic aspect which should encourage prospective investors is the fact that the competitive positions of an OTEC/ammonia plant-ship is expected to improve as the years pass. Its production cost will be affected less by inflation than will that for a land-based plant using fossil fuel as feedstock. It may also benefit from future ocean industrial complexes to be based on OTEC vessels.

The study identifies six areas--three in the Atlantic and three in the Pacific—where weather and thermal conditions would permit optimum operation of the vessels in non-hurricane months.

It also points out that the vessel is an extremely stable platform which could be very useful for a variety of research activities in addition to its primary mission of producing ammonia or other energy-intensive products.

A total crew of 48 would be required for the demonstration vessel, (31 on board, and 17 backup personnel ashore on leve). Accommodations would include 24 spare cabins for scientists, inspectors, and government officials participating in the demonstration tests and other programs. ☆

PRODUCT LIABILITY



A thorough investigation is under way to pinpoint the facts about the critical product liability problem as a constructive first step toward the development of solutions that will allay the current crisis and bring relief to American industry.

Under Secretary of Commerce Edward O. Vetter outlined the scope of the inquiry, which is being made by the Interagency Task Force on Product Liability, in testimony recently before the Senate Small Business Committee. Vetter is chairman of the task force.

The committee held two days of hearings on the product liability problem in which a number of panels of industry leaders, trade association spokesmen, insurance company representatives, and others stressed the critical nature of the problem. One after another warned that action is imperative to save many small companies that either are unable to obtain or pay for product liability insurance or that are faced with skyrocketing insurance premiums so staggering that they may be forced to merge or close down.

. . . the product liability problem has arisen because of changing trends in court judgments . . .

Witness after witness said the product liability problem has arisen because of changing trends in court judgments, particularly the theory of strict liability, whereby a seller may be liable for injuries caused by his product despite the fact that he was not at fault in any cognizant way; liberal awards by juries to plaintiffs based largely on emotional reaction; excessive contingency fees paid to lawyers for plaintiffs; punitive damages; applying standards in effect at the time of injury to a product made years before; and various other causes.

To deal with the situation, the witnesses advocated a wide range of remedies. Perhaps the most frequently mentioned were a statute of limitations running from the time the product was first sold rather than from the date of the injury; curbs on contingency fees; limitations on or abolition of punitive damages; applications of standards in effect at the time the product was made rather than those in use at the time of the injury; and certain others.

Dangers that witnesses saw in the situation included the hampering effect on economic development, production, and commerce, the impairment of national defense, the destruction of many companies in the capital goods industry, the concentration of production, particularly of capital goods, in large companies, the restrictive effect on the ability to raise capital, the greater unemployment, the rising prices for goods and services, and the boost in the nation's dependence on foreign imports.

In his testimony, Vetter explained that the scope of the investigation would include product liability problems in several product areas, including products with work-place impact and consumer impact, studies dealing with industrial practices, insurance, and the courts, and remedies.

The study of product areas, he explained, would be broken down as follows:

Products with work-place impact: industrial machinery, metal cutting, metal forming, woodworking and textile machinery; industrial grinding wheels; ferrous and non-ferrous metal castings, primarily those used as components of capital equipment; industrial chemicals, including both organic and inorganic substances, used in products and in the production process; and other industrial products that have caused special product liability problems for manufacturers, insurers or persons injured in the work place.

Products with consumer impact: aircraft components; automotive components related to safe vehicle operation, including manufacture and distribution, but not installation and repair; medical devices; pharmaceuticals; and other consumer products that have caused special product liability problems for manufacturers, insurers, or consumers.

In the industrial study, Vetter said the Task Force would examine company practices designed to reduce or eliminate product liability claims, such as quality control, product recall, worker protection efforts and safety devices.

"We will try to determine," Vetter said, "whether these measures are effective in regard to accident reduction and also whether they may reduce the cost of product liability insurance for the manufacturers that implement them.

"We want to know the number and type of product liability claims that have been opened and filed from 1970 to 1976 and the basis for these claims. We hope to determine which type of prod-

PROBE SEEKS REMEDIES TO A CRITICAL U.S. INDUSTRY PROBLEM

ucts have been most frequently subject to product liability claims. We also hope to provide some indication of the potential liability of companies whose products have been out in the market place for a period of years."

In the insurance study, Vetter said the Task Force would want to determine the basis used by insurance companies for establishing product liability premiums and learn as much as possible about current problems existing in the product liability insurance area.

For example, he explained, the Task Force will try to find out the extent to which manufacturers are unable to obtain insurance, whether insurance companies are implementing significant coverage restrictions at present, the extent to which reinsurance is being used in the product liability market and the cost of that approach, the extent to which companies have had to shift to surplus lines insurance, and the costs of these shifts, the extent to which manufacturers have shifted to self-insurance, and whether companies that could not afford to do so had taken that step.

"With regard to each of these questions," he said, "we want to know whether small as compared to large companies have had different experience."

In the legal study, Vetter said the task force "will focus on some of the more important variables among the states in product liability law."

For example, he explained, the Task Force will want to know how courts determine whether a company properly designed its product; how courts determine whether an injured party will have his claim barred or reduced because of his own conduct; how courts determine whether a company has properly exercised its duty to warn users and consumers about the hazards connected with the product; and how courts determine whether a company can place on a third party all or part of the amount it must pay the plaintiff.

"With respect to these and other legal rules," Vetter said, "we will attempt to make a judgment as to whether they deprive a person injured by a product of a right to obtain a recovery against a manufacturer or whether they unreasonably subject a manufacturer to liability, in whole or in part."

With respect to remedies, Vetter said that while the Task Force data base is extremely thin, it is considering whether remedies would: increase the availability of "affordable" product liability insurance; expedite the reparation process; place the incentive for risk prevention on the party or parties best able to carry out these measures; place the cost of accidents on the party or parties who should or are best able to absorb them; and unreasonably deprive an injured party of reparation for a product related injury.

Vetter discussed a number of remedies brought to the Task Force's attention, such as: a statute of limitations running from the time the product is sold; guidelines as to when, if ever, a company should be held liable when a plaintiff has been injured through his own misuse of the product; a periodic payment system instead of the existing lump sum system of awarding damages; modification of rules relating to third-party claims; abolition at least in part of the tort litigation systems for determining the cost of accidents; joint underwriting associations and reinsurance mechanisms in the product liability area; and a general or limited preemption by federal tort law in the area of product liability, and also insurance.

"Despite the inherent limitations of time and resources," Vetter said, "it is our hope that our final report will provide some new and careful thought about product liability problems."

He explained that the Task Force is scheduled to report to the Economic Policy Board in the White House on December 15. The Board initiated the Task Force investigation.

Meanwhile, Commerce Secretary Elliot L. Richardson announced the formation of an Advisory Committee on Product Liability to provide the Commerce Department with ideas and guidance in coping with the problem. The 18 members of the committee represent manufacturers, wholesalers, retailers, the insurance industry, insurance regulators, the legal profession, labor, and consumers.

Senator John C. Culver, of Iowa, who presided at the Senate hearing, questioned whether appointment of another committee in the product liability area was desirable. He said that creation of a committee was "usually a substitute for work."

. . . American industry will decline constantly if it is not guaranteed access to product insurance.

Vetter explained that the work of the advisory committee would be parallel to that of the Task Force, and that it would assist the Task Force studies instead of duplicating them.

Referring to the legislation dealing with the product liability problem, the Senator said "we shall have to do something legislatively in the next year."

He said that American industry will decline constantly if it is not guaranteed access to product insurance.

"We don't know," Senator Culver said, "the extent of the problems in terms of how many small firms are affected and to what degree, but every product manufactured and sold in the U.S. should be insured to protect the manufacturer, distributor, and retailer. The liability for all products now in existence and those yet to be made is just tremendous. What we do know is that American industry is saying 'help.' It would be foolish to suppose that that cry is superficial at best or dishonest at worst.

"We wish to determine the extent of the product liability problems for small businesses and what measures in both the short and long term might be taken to alleviate them. If the lack of product liability insurance is an obstacle to the survival of American small business, we must find a way to remove that obstacle."

Louis F. Laun, Deputy Administrator of the Small Business Administrator (SBA), explaining to the Senate group that the SBA is participating in the work of the Task Force, suggested that any of the remedies proposed for product liability problems should be assessed in relation to the potential effects they would have on small firms.

Remedies that have been proposed, he said, vary greatly in the time required to put them into effect. But from the viewpoint of small firms already affected by product liability problems, he added, the time factor is critical in assessing their merits.

He recommended that each proposed remedy be examined in terms of specific small-business related criteria, which should include the following:

Does the remedy include the product liability exposure of small firms? Does it impose an additional cost burden on small firms beyond the level of normal operating costs? Does it adversely affect the competitive position of small business? Does it propose substantive changes in operating methods which would be costly to implement?

Does the remedy make product liability insurance available to responsible small businesses not able to find such coverage? Does it increase the availability of product liability insurance at affordable premiums? Does it suggest government interference in the private sector?

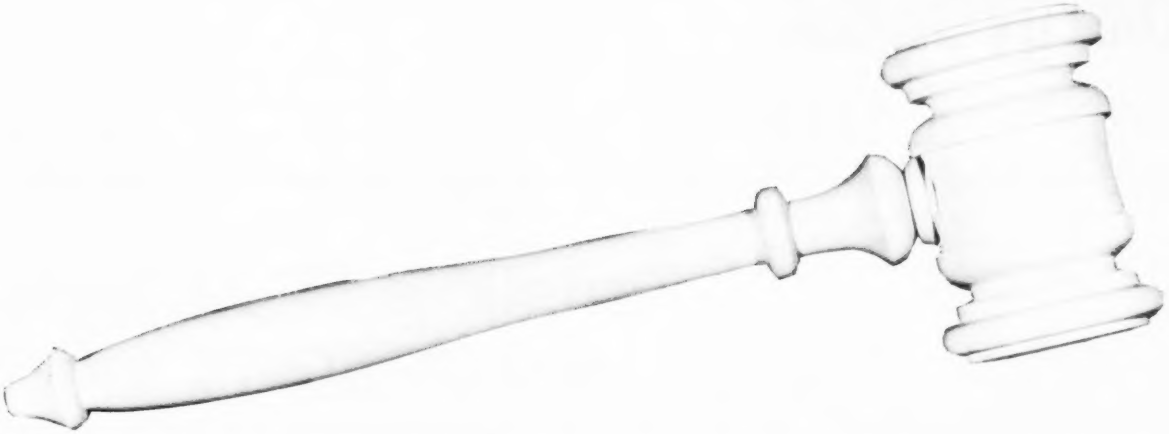
Enactment of a statute of limitations, Laun said, is one widely-supported remedy that might be implemented in the short run.

"We are all aware," he added, "that under present circumstances a manufacturer of equipment may be sued for injuries from equipment produced decades before. Often, the equipment has changed ownership a number of times, it has been modified, and possibly has even been 'recycled.' The original manufacturer has often completely lost track of the equipment, but yet he may remain liable for injuries."

James T. Gillice, Loss Prevention Director, Washington Office of the American Mutual Insurance Alliance, presented to the Senate Committee a number of proposals, several of which were supported in whole or in part by many other witnesses. They included the following:

A statute of limitations running from the time the product was placed in the stream of commerce; in cases where industry-wide manufacturing standards had been established, compliance with the standards would give the manufacturer a defense in an action based on a defective product; limit liability for non-economic loss; shield the manufacturer from liability if the product injury is caused by an alteration of the product; regulate contingency fees; prohibit retroactive application of current manufacturing standards or state of the art judgments; limit punitive damages; eliminate the *ad damnum*, or a demand for damages in a specific dollar amount except with respect to statements as to dollar amounts required by law to establish that the action came within the jurisdiction of a particular court; and utilize split trials in which the question of liability is first determined and then the damages in a separate trial if liability is found.

"Insurers," said William L. Martin, Vice President and General Counsel of the American Insur-



ance Association, New York, "merely respond to the legal system as they find it. Insurance costs are determined by that system. Too often in the past we have attempted to solve burgeoning social problems by tinkering with the insurance system. No amount of tinkering with the insurance system will respond to a disordered legal system. Correct the latter and the former corrects itself."

The Advisory Committee on Product Liability held its first meeting Sept. 20 and tentatively arranged to hold a second meeting Nov. 1, and a third Dec. 10, in an effort to assist the task force in time for its report to the White House Economic Policy Board Dec. 15.

Judge Ned Price, Senior Member of the State Board of Insurance, Austin, Tex., chairman of the Advisory Committee, presided at the meeting, which was devoted largely to the presentation of individual views by members of the committee.

Prof. Victor E. Schwartz, of the University of Cincinnati, project director and chairman of a working task force devoting full time to the inquiry, said the investigation related to tangible products and not services, with particular reference to products with a high incidence of claims. An effort will be made, he said, to come up with recommendations for remedial action.

"The tort litigation system," he said, "is wasteful and slow in the area of product liability and an overhaul is due."

He said he had received complaints from consumer groups that persons with claims of $1,000 or less under the existing system can get no recovery because they cannot obtain the services of a lawyer to handle the case. The complaint, he said, is that "only a few hit the jackpot."

He explained that the staff will examine carefully the wide range of remedies proposed, and make recommendations which will attempt to deal reasonably and effectively with the problem.

Industry spokesmen repeated the protests they have made about the critical nature of the product liability problem, and the rising insurance rates, while representatives of trial lawyers and consumers presented different viewpoints.

Fred G. Secrest, Executive Vice President, Ford Motor Company, Detroit, said it could be assumed that the changing product liability situation is of less concern to the large manufacturer than to the small, and that the large company in some degree can fall back on self-insurance.

He pointed out that in the last year the premiums Ford has had to pay for product liability insurance have tripled. But at the same time, he added, Ford will not wind up bankrupt.

Still he questioned that it would be sound policy to attempt to treat the large company differently from the small.

William M. Brooks, Senior Partner, Brooks Burke Surgical Supply Co., Atlanta, said that as an independent small distributor, he was at the opposite end of the spectrum from Ford Motor.

Businessmen engaged in his line of business, he said, are unhappy to find themselves parties to lawsuits involving products that they were not aware of and being charged with fault for injuries that actually were due, not to the product itself, but to people operating it.

Ralph B. Baldwin, President, Oliver Machinery Co., Grand Rapids, Mich., suggested that contingency fees were a basic problem, and that if there were no contingency fees "frivolous suits involving outrageous claims would not be filed."

But Melvin Block, Brooklyn, N.Y., attorney, presenting the trial lawyer's viewpoint, said the average attorney share in a liability claim was one-third, which he considered "fair." He insisted that there were no really inordinate jury awards and that in New York State an award was reviewed by 19 persons, 13 of whom were judges.

Paul Rheingold, New York attorney, said he doubted that a product liability crisis existed, but he added that "apparently the trial is over and the only question now is how the court system is to be changed."

At this, Under Secretary of Commerce Vetter commented that "the verdict has not been rendered," and that the task force intended to go into all aspects of the problem before attempting to reach conclusions, including the question as to whether or to what extent a crisis existed.

Jack Sheehan, Legislative Director of the United Steel Workers, stressed the need for a thorough review of the entire question of workmen's compensation as related to product liability and said there are many other ramifications in the picture that need to be examined. ☆

Enactment of a statute of limitations . . . is one widely-supported remedy that might be implemented in the short run.

Energy Digest

REMOTE CONTROL . . . An innovative communications and control system that potentially can pinpoint electric outages, read utility meters remotely and reduce power consumption during times of highest consumer demand will be tested in a new project sponsored by the Energy Research and Development Administration. The system, which uses a computer and other sophisticated equipment to "communicate" with household electric meters and appliances, is to be installed by San Diego Gas & Electric between volunteer customers and the company's electric distribution control center. A central computer operation will monitor electric usage and send messages in the form of signals to transponders in participating homes or businesses. The system also will be capable of controlling the operation of individual home appliances. This will allow the utility to reduce the electric load on generating facilities during times of peak use by selectively turning off, for brief periods, certain major appliances such as water heaters, electric space heaters or air conditioners. With the appropriate control procedures, the project will determine if use of such appliances can be deferred with little effect on the comfort and lifestyle of customers.

"IN MY MERRY COALMOBILE" . . . Automobiles powered by old King Coal? It could happen. Coal can be made into methanol, a substitute for gasoline. Methanol also can be used as a substitute fuel for turbines, steam plants, and fuel cells and can be converted to synthetic gas and chemicals. ERDA has awarded a $1.6 million contract to The Badger Co. of Cambridge, Mass., to prepare a cenceptual design for a commercial plant making methanol from coal. Badger will prepare estimates of and operating costs for both commercial and demonstration facilities which might be constructed. Methanol is one of the more promising synthetic fuels from coal, especially in the near term (through 1985). The potential use of methanol as an automobile fuel on a large scale has generated widespread interest recently, primarily because methanol is compatible with today's internal combustion engine.

FOOD SYSTEM STUDIES . . . The Federal Energy Administration has released two publications focusing on energy in the nation's food system—which accounts for 16.5 percent of total U.S. energy consumption. Energy Use in the Food System (#041-018-00109-3) is designed primarily for use by food system researchers and specialists, and examines the status of energy conservation data in the food industry, identifying gaps and inconsistencies in existing food system studies and data. It is priced at $2.65. Energy Conservation in the Food System—A Publications List (#041-018-00110-7), a companion piece designed for use by food system managers and energy coordinators, priced at $1.45, is also available from the Superintendent of Documents, GPO, Washington, D.C. 20404.

PARSIMONY PAYS OFF . . . A "Lifeline" rate, favoring low-volume residential customers, was adopted by the California Public Utilities Commission this summer. If a homeowner's energy use falls below a set level, the customer qualifies for cheaper rates. The set levels of energy use differ according to climatic conditions. California is divided into four zones, and the amount of gas or electricity apportioned for winter use depends on the customer's location. Cooking and heating are also allowed set amounts of energy.

GEOTHERMAL BOOST . . . A joint federal-state effort is under way in California to speed the commercial use of geothermal energy resources in that state. ERDA's Division of Geothermal Energy and the California Energy Resources Conservation and Development Commission are to determine appropriate federal, state and local actions which will assist local industries in developing and using the extensive geothermal energy resources of the state in an environmentally acceptable manner. This is the first of four such regional geothermal energy programs to be established in the United States. Similar activities are being initiated in the Northwest, Southwest and Texas-Louisiana.

FREE HOME INSULATION COURSE . . . A four-book package is available to vocational instruction teachers, local officials, and groups planning to teach home weatherization techniques. Simplified fill-in-the-blank booklets help students calculate potential savings and determine appropriate energy-saving improvements. The Federal Energy Administration has sent copies to State Energy Offices and Boards of Education. For copies of "Project Retrotech," write Michael Pete, Office of Weatherization, FEA, 206-OPO, Washington, D.C. 20461.

Domestic Business Report

Firebell In The Night: Closing In On Arson

CENTRAL ROLE SEEN FOR NATIONAL FIRE ACADEMY AS NATIONWIDE EFFORT TO CURB 'EPIDEMIC' BEGINS

It's time to take the profit out of arson! With the nation's arson problem assuming epidemic proportions, the time for handwringing is over. Reflecting this attitude, 36 top-level spokesmen representing various organizations concerned with the arson problem met at the Battelle Institute in Columbus, Ohio, earlier this year at the behest of Commerce's National Fire Academy to map out the beginning of a nationwide attack on arson.

Representing fire and police services, arson investigators, insurance companies, the banking industry, prosecutors and the courts, researchers and educators, the conferees pointed to nine specific needs that must be fulfilled in order to develop a successful program.

Many of the panel's recommendations call for major initiatives by the Fire Academy and its parent organization, Commerce's National Fire Prevention and Control Administration. But the participants were emphatic in stressing the need for the very active participation of the business community and all other segments of the public. Everyone is hurt by arson, and it will take total participation to stamp it out.

The nine specific needs identified as needing immediate attention are:

To define the arson responsibilities of individuals and organizations.

Is arson a police responsibility, a fire responsibility, an insurance fraud responsibility, or what? Each community seems to approach the problem in its own way, but it is clear that success only can be achieved by working together with special attention to the court system. The seminar group challenged the NFPCA to lead in developing a model arson task force concept as a prototype, not to replace existing successful efforts, but to clear the air where local efforts have not succeeded. Each task force would have to meet the specific needs of a particular city, state or region. However, the NFPCA model task force could provide a useful information resource for local authorities to build on.

To reclassify arson in crime reporting systems to reflect its true seriousness.

Because arson is not classified as a "Part 1" crime in the FBI's Uniform Crime Reports it does not get complete reporting and news media coverage. Therefore, there has been little chance to dramatize the spiraling incidence of arson. The seminar group strongly advocated NFPCA leadership in getting this problem presented to the International Association of Chiefs of Police Committee on Uniform Crime Records. This Committee is responsible for setting the definitions of Uniform Crime Reports coverage.

To make all segments of the public aware of arson, its consequences, and the need for action.

Awareness and concern are needed both by the public at large and the smaller "public" who have professional interests in stopping arson. Building awareness and involvement programs should be done continuously, not on a "one shot" basis. The group called on the NFPCA to develop a public information program on arson as a national problem. This program could include a film on arson, a professional journal for interdisciplinary communication, exchange of information on public awareness activities, and a public relations guide for fire service organizations.

To develop and apply job-related training programs on arson for investigators and all other categories of concerned personnel.

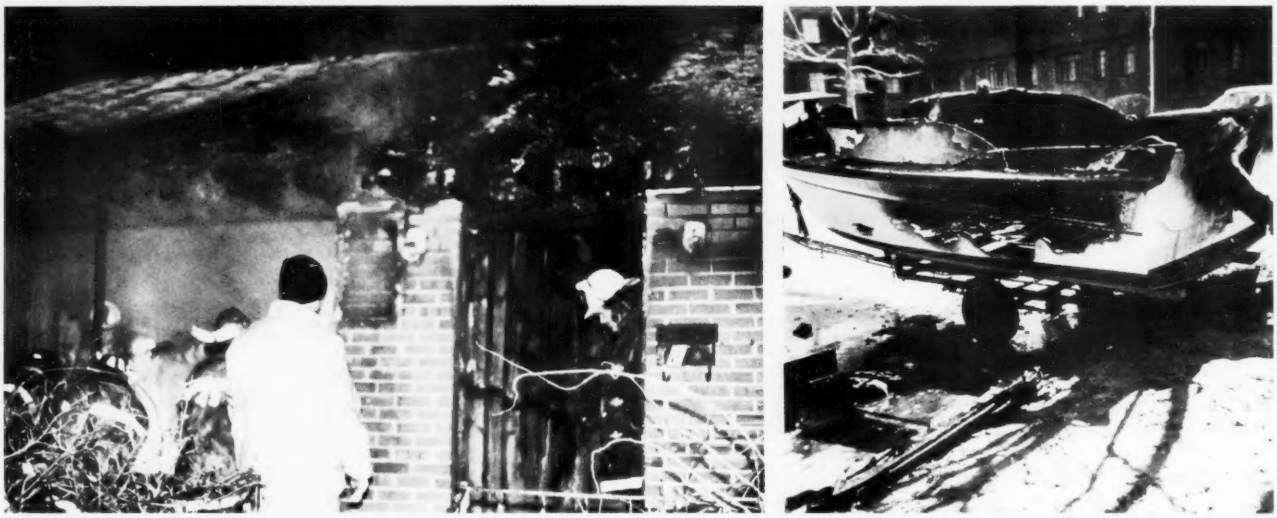
Few fire service organizations have trained arson investigators, and there is little training in arson investigation for police. Attorneys, prosecutors and judges need special training in handling arson cases. There is a particular need for coordinated programs within the insurance industry. The seminar group recommended top priority for job-related arson training within the National Fire Academy, with a task analysis to find out what various categories of personnel must be expected to do. Without delay, professional accreditation mechanisms are needed for arson investigators. The NFPCA must encourage the insurance industry to strengthen its own training. Professional training should include use and selection of scientific equipment for detecting fire causes.

To develop and apply better reporting, data collection and data analysis procedures.

The NFPCA's National Fire Data System and a proposed insurance industry information system for identifying persons with repeated fire losses will have impact on the arson problem. But even when both systems are completely implemented—which may take some years—there will be voids of information and statistics. This is complicated by the lack of laws authorizing private authorities to share their information with public authorities and vice versa. There is also a need for an information center specifically devoted to all aspects of arson. User committees should be established to work out compatibility of private and public information systems. At the state level, procedures should be encouraged which would give appropriate legal protection to insurance companies providing information on arson to public authorities. The group recommended that the National Association of Insurance Commissioners promote the development of model legislation in this regard.

To promulgate and apply effective, uniform laws and regulations, particularly insurance regulations and practices.

Arson laws throughout the states lack uniformity, appropriate penalties and delineation of responsibilities. Confusing regulations also have negative impacts on insurance efforts to do something about arson. Better laws are needed, but these must be backed by the resources necessary to enforce them. The group recommended that NFPCA develop a new model arson law for consideration by states, and draw up insurance laws



A COMPLEX PROBLEM—*Trained arson investigators who arrive on the scene while the evidence is still available were cited as a critical need in combatting the problem. Arson is not confined to buildings, as picture at right indicates.*

that could take the profit out of arson. The National Association of Insurance Commissioners was called on to encourage and recognize the insurance industry's own efforts. State insurance pools which share the risk in high-risk areas should be encouraged to accelerate positive actions curbing arson. Finally, the impact of housing and banking laws and regulations in encouraging or discouraging arson should be examined.

To identify and develop adequate sources of funding to combat arson at all levels.

Where there is no agency specifically responsible for arson, there is no specific funding; but even established agencies often lack funds. Federal, state and local government and private sources of funding are not well enough defined. The seminar group recommend that NFPCA identify all federal funding sources. At the state level there needs to be greater concern both by insurance companies (the "givers") and by state fire marshal offices (the "receivers") over the utilization of public funds. Within the insurance industry, and within other sectors of private enterprise affected by arson, there must be increased attention to funding of education, prevention and detection activities.

To conduct research and development of tools for arson investigation and on social and behavioral causes of arson.

There is a lack of understanding, appreciation and application of scientific techniques for identifying the causes of arson fires. What scientific equipment is used often has been adapted from some other discipline. There are particular needs for research on scientific detection methods, on the behavioral patterns of arsonists, and on the social, psychological and psychiatric aspects of fire setting. Scientific equipment must be assessed, and there must be human factors research on its application. A basic behavior research program on arson should be established under the NFPCA. There also is need for research into new materials which might become involved in fires or incendiary devices.

To develop a uniform arson terminology for all disciplines and all parts of the United States.

Uniform legal descriptions and interpretations of arson and related matters are required. The fire investigator needs an everyday glossary for fire cause identification—a field guidebook. The insurance industry needs a better, more uniform interpretation by the courts of insurance policy wording relating to the value of insured property. The seminar group recommends that the NFPCA immediately designate an interdisciplinary committee to develop a glossary of arson terms. Concurrently, a field guide for arson investigation should be developed. Insurance attorneys and the National Association of Insurance Commissioners must develop better, more uniform interpretations of insurance law.

This report places a heavy responsibility on the National Fire Prevention and Control Administration and its National Fire Academy, and properly so. The NFPCA was created to provide a federal home for the fire problem, and arson is one of the most significant aspects of that problem. However, as mentioned earlier, if the NFPCA is to achieve its goal, every concerned American must help.

Limited free copies of the full report, *Arson: America's Malignant Crime,* are available from the Office of Information Services, NFPCA, U.S. Dept. of Commerce, Washington, D.C. 20230.

Satellite Information To Be Expanded For Tuna, Salmon Fishermen

Tuna and salmon fisherman off the coast of California will have broader access to satellite information helping them to find more profitable fishing grounds this season. This results from an expansion of service to fishermen by Commerce's National Oceanic and Atmospheric Administration (NOAA).

The value of the method was proved in a pilot project last year. It involves advising commercial fishermen where "upwelling" occurs in Pacific coastal waters. A NOAA polar-orbiting satellite, equipped with infrared sensors, can identify the cold, nutrient-rich waters associated with upwelling, and provide a picture showing their location. Salmon and tuna have been found to favor these upwelled waters.

Satellite coverage of the Pacific coastal waters has been expanded to include the area from the Straits of Juan de Fuca between Canada and Washington to Point Conception, California, and information from the satellite is now more readily available to fishermen through the use of an automatic telecopier that transmits thermal front data to the dockside more quickly.

The NOAA satellite passes over the coastal area twice daily, relaying environmental data, including sea surface temperatures, back to earth. This information is converted into images in various shades of gray, each shade representing a particular interval of temperature. As a result, thermal fronts, where cold, upwelled water meets the warmer offshore surface water, show up clearly as gray-shade boundaries.

EMPLOYEE CRIME DOES PAY . . . UNLESS CHIEF EXECUTIVE STEPS IN

"Crime does pay for dishonest employees. It is the fastest growing, tax free segment of the economy. It is easy to commit, rarely detected, involves virtually no risk and penalties are minimal, if caught," declared Norman Jaspan at the recent Crimes Against Business Seminar sponsored by the U.S. Department of Commerce and the N.Y. Chamber of Commerce and Industry at New York's Statler Hilton Hotel.

No form of activity is immune—some, however, are more vulnerable: construction, financial institutions, hospitals and retail. These losses are built into the cost of doing business. As much as 15 percent of the price consumers pay for goods and services goes to cover the cost of dishonesty, according to Jaspan, president of a management engineering firm.

"People at all levels of business are involved, but our experience shows that the greatest amount of dishonesty occurs at the supervisory and executive level. Of the more than $100 million of business dishonesty uncovered by our firm last year, trusted employees accounted for more than 60 percent," said Jaspan.

Over the past 40 years the trend of white collar crime has accelerated as a result of mergers, acquisitions, decentralization of operations, computerization, and the displacement of owner-managers, the consultant noted.

Indeed, the very practices set up by management to promote business—such as incentive programs, variable commissions, cash sales, liberal return privileges, premiums, advertising allowances and, last but not least, unaudited expense accounts are consistently exploited by employees.

Furthermore, high excise and sales taxes cause many retailers and distributors to participate in "bootlegging" to meet competition, Jaspan noted. By engaging in off-the-book transactions, they not only meet but undersell legitimate competitors and pocket the taxes, which often exceed their normal rate of profit.

Many employees know about kickbacks, embezzlements, conflicts of interest and falsification of records, but do nothing about it. They emotionally withdraw from a distasteful situation that may involve friends or associates, or they are afraid of being found at fault and criticized. Also, because of profit sharing, stock options and pensions they don't want to rock the boat. They opt to ride it out, Jaspan said.

For every dollar lost through employee dishonesty, an organization loses at least twice that amount as a result of contributing factors—supervisory permissiveness, unrealistic budgets and pressures, and ineffectual controls.

In Jaspan's view, law enforcement at all levels appears to provide virtually no deterrent to any kind of employee dishonesty; only 5 percent of these crimes end up before the courts, and only 1 percent of those involved are sent to jail. "Businessmen who rely upon the police and the courts to stem the tide of fraud will be out of business before the reforms that are necessary become effective."

Business crime is not confined to males. Recent research reveals that women are just as adept at stealing as men. Nearly one out of every three persons arrested last year for larceny or fraud was female.

It is too easy to attribute these escalating losses to a decline in moral standards. Most people are basically honest when they come to a job—all too often the workplace becomes the school for dishonesty.

In contrast to earlier practices, chief directors, CPA's and other professionals are now frequently held both legally and financially responsible. They can no longer consider themselves blameless by reason of their lack of knowledge. Stockholders' suits and governmental agencies pose threats to their personal assets, as well as to their reputations as effective business leaders and advisors.

Fortunately, Jaspan reports, auditors, directors and legal counsel have a stronger position with top management than ever before as a result of recent developments concerning corporate misconduct. They will be required to participate more actively and openly in the affairs of their clients, he says.

Theft is odious and comtemptible, but he emphasized that executives can't run a business on fear. "What is clearly needed is an approach that is humane with a sense of proportion and professionalism. The problem can best be dealt with by businesslike procedures and policies that are fair, just, and easily enforceable."

An effective exposure of suspected theft is best initiated by a thorough, ear-to-the-ground examination that will:

- Uncover and develop the full extent of the loss;
- Substantiate the loss with incontrovertible facts;
- Recover the maximum justified under any fidelity bond;
- Establish preventive controls that are easy to enforce, and that protect the firm's assets.

"Responsibility for the integrity of a company and its employees begins and ends with the chief executive. He cannot delegate his stewardship to subordinates who might be most at fault. There is no other segment of the American economy that can play a greater role in setting the moral tone in which business is conducted," Jaspan summarized.

A similar "Institute on White Collar Crime," sponsored by Commerce's Philadelphia District Office and several local organizations has been scheduled for Oct. 27 at the City Line Holiday Inn.

For details, contact the Citizens Crime Commission of Philadelphia, 1700 Walnut St., Suite 1000, Philadelphia, Pa. 19103.

Safety Gear Catalog Has Metric Section

A catalog of safety equipment containing a metric guide and a special section explaining the requirements of the Occupational Safety and Health Act is available free from General Scientific Equipment Company.

In addition to personal safety gear, the catalog includes safety signs, signals, instruments, cans, welding screens, drum handling, mirrors, belts, and many others. Products are referenced to OSHA requirements.

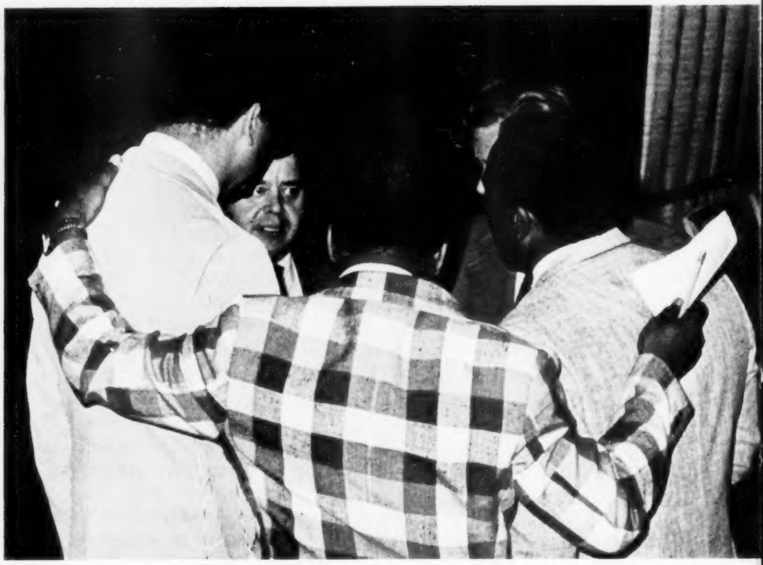
For a copy of Catalog and OSHA Safety Guide Number 776, write General Scientific Equipment Company, Limekiln Pike & Williams Ave., Philadelphia, Pa. 19150.

Cape Fur Seal Skin Waiver Extended

Approximately 19,000 Cape fur seal skins can be imported from the Republic of South Africa from the 1976 harvest if that nation meets specific conditions set by the National Marine Fisheries Service (NMFS), the Commerce agency has announced.

The action extends a 1975 waiver to a moratorium placed on imports by the Marine Mammal Protection Act. Under the provisions of the waiver, a limited number of the skins can be imported provided certain conditions are met. These include that the skins must have been taken within the Republic of South Africa, in accordance with its laws, and by or under the auspices of that nation; the Republic must certify that none of the skins was taken from Namibia; the skins must be taken in a manner not deemed inhumane by the Director of the NMFS; and none can be imported without a permit from NMFS.

Although the waiver was first granted in March 1976 for skins taken during the 1975 harvest, none have yet been imported.



MINORITY SELF-HELP GROUP CHARTS FUTURE COURSE

A leader in self-help programs, the Opportunities Industrialization Center of America (OIC) recently held its 12th annual convocation. Among the guest speakers at the Philadelphia meeting were Secretary of State Henry Kissinger, Secretary of the Treasury William Simon, and Secretary of Commerce Elliot Richardson.

OIC founder, the Reverend Leon Sullivan, was honored as a pioneer in what has since become a major concern in the country: training unemployed urban workers in skills that will enable them to enter secure, well-paying jobs. OIC has established 20 centers, and trained 200,000 minority men and women.

Some 1,500 attendees laid the groundwork for upcoming projects, and heard Secretary Richardson discuss the problem of unemployed and underemployed minorities:

"The answer is that government must motivate the private sector to invest . . . urban economic development must become a local priority; an objective of city governments, civic groups, local business leadership and organizations such as OIC. . . . Objectives are achieved only through resource concentration—through applying funds and energies and people with sufficient weight and force to make an impact. . . . Priorities must be established, and then resources concentrated on those priorities.

"People must be brought together effectively at the local level to coordinate the application of federal development funds and private investment that produces jobs—and this is not happening now to the degree that it should be."

NEW HORIZONS—*Above left, Commerce Secretary Elliot L. Richardson meets OIC trainees from North Carolina: Etta L. Thompson (left), age 84, and her daughter Anne Margaret Thompson, age 66. Above right, convocation attendees huddle with Alex Armendaris (facing camera), director of Commerce's Office of Minority Business Enterprise. Below left, further discussions, and below right, Richardson talks with Rev. Leon Sullivan, founder of Opportunities Industrialization Center.*

PRODUCERS—*Dr. Malcolm Norwood (left), chief of the Office of Media Services for HEW's Bureau of Education for the Handicapped, and computer programmer Joseph Schlagenhaft of the Commerce Department make significant work contributions despite severe handicaps. Dr. Norwood, who is deaf, has telephone conversations translated into sign language by Virginia Lewis before responding, while Schlagenhaft, who is blind, uses a braille typewriter in his highly technical job.*

Smart Firms Find Solution To Lackluster Workforce: America's Handicapped Adults

At a time when the work ethic seems to have lost some of its appeal to many Americans, there is one group that hasn't gotten the word. They still show up early, go home late, and usually do a better job than their fellow workers.

Who are these paragons of whom any employer would be anxious to recruit as many as possible? They are America's handicapped workers, but despite their superior performance record over the years they still often find that employers' doors are closed to them.

National Hire the Handicapped Week, October 3-9, is the country's annual effort to impress employers and Americans as a whole with the problems—and the promise—of America's 11 million adults with physical or mental disabilities. That translates into one out of every eleven adults . . . . an enormous pool of first-rate talent.

The National Alliance of Businessmen, a voluntary association founded to help returning Vietnam veterans find work, has expanded its activities to include all groups of people who have particular difficulty entering the job market, especially minority youth and the handicapped.

Widely-believed myths

James H. Sears, the NAB regional director for the five-state Mideast Region, says that much of the reluctance to hire the handicapped arises from five widely-accepted myths:

Insurance rates will skyrocket;

Considerable expense will be involved in making the necessary adjustments at the work place;

Safety records will be jeopardized;

Special privileges will have to be granted, and

Other employees may not accept the handicapped.

Sears says that these beliefs simply do not hold up once they are subjected to serious study. "Every one of these reasons for not considering the handicapped has been proven to hold no semblance of fact whatever."

Regarding insurance, a study made by the U.S. Chamber of Commerce and the National Association of Manufacturers showed that 90 per cent of 279 companies surveyed reported no effect on insurance costs due to hiring disabled employees.

As to physical adjustments within the plant, most companies report that, when required, they involved minor items such as a lower work bench or an entrance ramp (which can also help in dealing with handicapped customers). But the vast majority of handicapped workers need no special work arrangement at all.

A few years ago, the duPont Company of Wilmington, Del., won the National Safety Council's Award of Honor for the 27th time. A company study showed that 96 percent of its handicapped workers were average or better-than-average in the area of safety both on and off the job. So perhaps that particular myth could be turned around to read: Firms wishing to *improve* their safety records should hire all the disabled employees they can get their hands on.

The "special privileges" are equally fictitious. "The one thing a handicapped worker wants is to be treated like a normal employee," says Sears.

"Fellow employees do not consider a parking spot near the plant entrance for a paraplegic in a wheelchair to be an unwarranted privilege. They wouldn't trade places and don't expect the same treatment."

He also finds that Americans' inherent sense of fair play leads them to accept handicapped co-workers readily. And then, when they find out that these people usually pull more than their own weight in most job situations, the acceptance turns to enthusiasm.

Right down the line . . . . on job safety, performance, attendance and turnover rate . . . . handicapped workers outscore their co-workers. Furthermore, the more severe the handicap, the better the employee! That was the verdict of another duPont study, which found a direct correlation between the job performance of the handicapped and the severity of their impairment. Amputees, blind persons, paraplegics and epileptics were at the top of the job performance list.

About one-third of those studied were hired with physical handicaps. The remaining two-thirds became handicapped after they had been employed (91 per cent were injured during off-duty hours).

Higher motivation

Those hired with impairments showed a higher degree of motivation toward good safety, attendance and job performance than did those who became handicapped subsequent to hiring.

"duPont's experience supports the belief that the utilization of the abilities of the handicapped is good business," Sears concludes.

For more information on hiring the handicapped, contact the President's Committee on Employment of the Handicapped, Washington, D.C. 20210, or the nearest office of the National Alliance of Businessmen.

San Francisco Bay Study Seen Aiding Other U.S. Ports

Foreign and domestic dry cargo trade through the San Francisco Bay Ports will increase four times in volume by the year 2000, with the greatest growth occurring in containerized and other intermodal cargoes, which will expand by nine times.

The likelihood of such growth was one of the findings of a regional port planning study recently completed through the cooperative efforts of Commerce's Maritime Administration and the port industry. The regional port planning study for the San Francisco Bay Area was a cost-shared venture between the Northern California Ports Terminals Bureau (NORCAL) and Maritime.

The first part of the study provides estimates of the foreign and domestic water-borne cargo, excluding crude petroleum, projected to pass through the Bay Area through the year 2020. The second, lists current port capabilities for handling cargoes, with emphasis on dry cargo facilities.

The study helped develop a specific methodology for establishing marine terminal throughput capacity, which has been published separately. The Maritime Administration plans to make this methodology available as a planning tool to ports around the country.

Studies such as this one and others under way elsewhere in the country, contribute to the synchronized development of U.S. ports, consistent with the growth of commerce and the development of advanced shipping systems.

The four-volume report is available from the National Technical Information Service, 5285 Port Royal Road, Springfield, Va. 22161. Order numbers and prices are:

Summary Report (PB 256 595/CZ) 53pp. $4.50.

Cargo Projections. Trade Outlook of the Northern California Ports: Year 2000 and Beyond (PB 256 596/CZ). 171pp. $6.75.

Methodology for Estimating Capacity of Marine Terminals Volume I: Standardized Methodolgy (PB 256 597/CZ). 234pp. $8.

Methodology for Estimating Capacity of Marine Terminals Volume II: NORCAL Port Capacities (PB 256 598/CZ). 13pp. $3.50.

Conference To Consider Incentives For Industrial Pest Control Research

A conference on developing incentives for research and development in pest control methods will be held October 26 and 27 at Commerce's National Bureau of Standards.

Sponsored by NBS's Experimental Technology Incentives Program (ETIP), and the Environmental Protection Agency, the meeting will discuss the needs, policies and incentives for innovative research and development of pest control methods by industry.

A series of concurrent workshop sessions will review proposed federally-sponsored incentives. They are designed to make the conference a working forum in which participants are asked to suggest specific, practical steps for implementing the proposed incentives in the real world.

For additional information contact Daniel Fulmer, chief of ETIP's Regulatory Programs, Room A735, Administration Bldg., National Bureau of Standards, Washington, D.C. 20234, (301-921-3465).

Food Stamps Bought By 6 Percent Of Households

About 4.4 million U.S. households purchased food stamps in July 1975, according to a report from Commerce's Bureau of the Census. These comprised 6 percent of an estimated 71.4 million total households.

Sixty-two percent of the households were classified as white and 36 percent as black. (The other 2 percent were headed by persons of other races.) These amounted to 4 percent of all white households, 22 percent of all black households, and 14 percent of all Spanish-origin households.

The report contains data collected in 1973, 1974 and 1975. It shows that among households participating in the food stamp program in July 1975:

- The South accounted for a larger proportion of total participating households (39 percent) than any other region of the country. About 8 percent of all Southern households purchased food stamps, compared with 6 percent for the rest of the United States;
- Sixty-five percent were in metropolitan areas and 45 percent in central cities of metropolitan areas;
- Fifty-eight percent were headed by women, and nearly half of these by women widowed or divorced;

The 4.4 million food stamp households in July 1975 represented a 42 percent increase over the 3.1 million in May 1973. The report says that the major factor contributing to this increase was an amendment to the Food Stamp Act, which expanded the program in 1974.

About 40 percent of the 5.1 million families with income below the low-income (poverty) level in 1974 participated in the program for one or more months.

Copies of *Characteristics of Households Purchasing Food Stamps,* P-23, No. 61, can be ordered for $1.15 each from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or Commerce district offices in major cities around the country.

Auto Industry Showed 1975 Productivity Gain

Productivity declined or showed only small gains in several major industries in 1975, but increased sharply in the vital motor vehicle manufacturing, where hours dropped more than output, according to the Bureau of Labor Statistics of the U.S. Department of Labor.

The Bureau has published preliminary measures of output per employee-hour for about one-third of the industries regularly included in its annual study.

Motor vehicle manufacturing posted an above-average gain in productivity of 7.7 percent in 1975. The increase, which is more than double the long-term rate, reflected a sharp decline—13.5 percent—in employee-hours and a more limited decline in output of 6.9 percent.

The steel industry had the sharpest decline in productivity recorded in the currently published series, with a drop of 11.6 percent. Output in this industry fell by a near-record 24.3 percent, while employee-hours declined by 14.4 percent. The steep drop in output and associated decline in productivity were due to a reduction in demand in almost all steel markets, as well as a drawing down of inventories by steel fabricators.

Among transportation industries, productivity for railroads and trucking declined by 3.4 and 1.7 percent, respectively. Air transportation, on the other hand, had a slight increase in productivity of 1.2 percent based on only a 0.6 percent dip in output while employment was falling 1.7 percent.

The forthcoming full report, *Productivity Indexes for Selected Industries, 1976 Edition*, will include data back to 1939 for many industries. For further information, contact Office of Information, Bureau of Labor Statistics, U.S. Department of Labor, Washington, D.C. 20210.

onal Technical Informa

SPREADING THE WORD—*U.S. Senator Barry Goldwater (right) looks over Commerce publications at the Farnborough International Air Show in England. Roy Selwyn (left) is newly-appointed UK sales agent for Commerce's NTIS.*

FOREIGN DEALERS TO PROMOTE SALE OF U.S. REPORTS

Technical reports prepared with U.S. government funding are expected to achieve greater sales in England, France and Japan as a result of new contracts signed with representatives overseas by Commerce's National Technical Information Service (NTIS). The dealers will promote, demonstrate and sell NTIS products and services throughout their respective territories, thereby reaching a greater range of users than NTIS currently approaches.

The new agents are: Microinfo Ltd., of Alton, England, serving the United Kingdom and the Republic of Ireland; The Center for Business Information in Paris, serving Belgium and Switzerland in addition to France; and Mitsubishi Research Institute (MRI) of Tokyo.

One million titles

NTIS is the central source for public sale of research, development and other government-funded reports prepared by federal agencies, their contractors or their grantees. NTIS presently has more than one million available titles and adds about 60,000 new ones to its collection each year.

The reports cover a variety of subjects: administration, agriculture and food, biomedical technology, building technology, business and economics, engineering, communication, computers, energy, environmental pollution and control, health planning, medicine, ocean technology and transportation.

Over the past two years, NTIS has signed 18 sales agents in Latin America, Africa and the Far East, through a cooperative program with the Agency for International Development.

Mitsubishi will serve as managing dealer in Japan, supervising a half dozen or more other dealers. As part of the agreement, NTIS will acquire Japanese government-sponsored research reports, abstracts of which will be translated into English and published by NTIS for the ultimate benefit of the U.S. economy. This will be the first time such research has been generally available in the United States. Three MRI specialists recently completed a training program at NTIS headquarters in Washington, D.C.

Industrial Hygiene Course Scheduled For Seven Cities

A Basics of Industrial Hygiene course is being offered during the next eight months by the American Industrial Hygiene Association and the National Institute for Occupational Safety and Health.

The course is aimed at management personnel responsible for health and safety programs, particularly those in medium-sized and smaller companies which do not employ full-time industrial hygienists.

The course will be offered in New York, Oct. 25-29; Dallas, Nov. 8-11; Long Beach, Dec. 6-10; New Orleans, Jan. 24-28; Chapel Hill, March 21-25; Ann Arbor, April 25-29, and Philadelphia, June 6-10.

Further details are available from: American Industrial Hygiene Assn., 66 S. Miller Road, Akron, Ohio 44313.

IN AGREEMENT—*William Knox (center), director of Commerce's National Technical Information Service, signs a sales agreement with Masaki Nakajima (left), president of Mitsubishi Research Institute, Inc., while Takayasu Miyakawa, MRI director of marketing, and Mitsutake Okano, Washington representative, look on.*

County Revenues, Outlays Continue Steep Uptrend

Both revenues and expenditures of the nation's counties continued to rise sharply in fiscal 1974-75, according to Commerce's Bureau of the Census. But expenditures rose faster.

Revenue of all county governments totaled $3.6 billion in fiscal 1975, an increase of $2.9 billion, or 9.3 percent over the previous year.

County taxes accounted for about 39 percent of all general revenue of county governments in 1974-75 or $12.7 billion, with property taxes continuing as the predominant tax revenue source, supplying $10.3 billion or 31 percent. Property taxes showed an increase of almost 8 percent over the previous year's return of $9.6 billion.

Revenues of $11.8 billion from state governments accounted for 35 percent of the counties' general income, about 1.5 percent less than the previous year. Receipts from the Federal General Revenue Sharing Program totaled $1.6 billion, or 10.7 percent of the intergovernmental revenue of county governments.

County government expenditures totaled $33.5 billion in 1974-75, up 13.6 percent from the 1973-74 amount of $29.5 billion. General expenditure (spending other than for utility, liquor store, and employee-retirement purposes) totaled $32.7 billion in 1974-75, compared to $28.9 billion in the previous fiscal year.

Top expenditures

Public welfare, education, highways, and hospitals, in that order, were the leading county functions in terms of expenditures for general government purposes, and together accounted for about 56.8 percent of the total.

Between fiscal 1966 and fiscal 1975, the percentage of county expenditures for public welfare decreased from 23 percent to 19 percent, while the share allocated to education rose from less than 15 percent to 16.5 percent, and health and hospital outlays rose from 12 percent to nearly 15 percent. The proportion allocated to highways dropped from 16.4 percent to 10.8 percent.

The Census Bureau report also covers: expenditure by character and object; indebtedness and debt transactions; cash and security holdings; county utilities and liquor stores; employee-retirement systems; financial data by size groups; and individual county data (including per capita amounts) for 333 counties of 100,000 inhabitants or more.

Copies of the report, *County Government Finances in 1974-75*, GF 75, No. 8, may be purchased for $1.75 from the Subscriber Services Section (Publications), Bureau of the Census, Washington, D.C. 20233, or from Commerce district offices in major U.S. cities.

International Visitors To U.S. Increase 11 Percent

Foreign visitor arrivals in the United States showed a substantial increase during the first half of 1976, according to Commerce's United States Travel Service. The United States hosted approximately 7.4 million international visitors during the first six months of the 1976 Bicentennial year, 10.6 percent more than during the same period in 1975. Over 1.4 million of those visitors arrived during the month of June, representing an increase of 4.8 percent over June 1975.

The first half of 1976 saw 4.6 million Canadian visitors travel to this country, a 10.6 percent increase over the same period in 1975. Mexican arrivals numbered 948,221 during the first six months of the year, a decrease of 2.8 percent from 1975.

During the same period, arrivals from countries other than Canada and Mexico increased 18.8 percent compared to the first half of 1975.

European arrivals to the United States increased 27.9 percent over the first half of 1975. Increases were recorded in each of the major European markets: United Kingdom, up 23.6 percent; West Germany, up 24.3 percent; and France, up 39.2 percent.

Asian travel to the United States increased 3.2 percent during the first half of the year, even though Japanese arrivals declined 7.9 percent for the period.

Canadian arrivals in this country during June totaled 802,755, constituting a 2.3 percent decline from last year's June figure. Similarly, arrivals from Mexico in June decreased 3 percent from the level recorded in June 1975.

An increase of 24 percent was recorded in June this year for arrivals from countries other than Canada and Mexico. Travel rose significantly in all major geographic areas overseas, with increases ranging from 10.2 percent for Asian travelers to 57.5 percent for visitors from Oceania.

European arrivals in the United States during June numbered 226,179, representing a 29.6 percent increase over June 1975. Asian travel to this country also increased, by 10.2 percent, although Japanese visitor arrivals declined 4.5 percent from the June 1975 level.

Second Fire Conference Planned For Los Angeles

The Second National Conference organized by Commerce's National Fire Prevention and Control Administration has been scheduled for October 18-20 in the Hyatt House Hotel at Los Angeles International Airport. The conference will focus on "The Dynamics of Fire Prevention," addressing six critical areas of fire prevention and control: persons involved in fire prevention; public education; building design; inspection and enforcement; the role of fire and arson investigation; and how to plan a fire prevention program.

For more information on the conference, contact Peg Maloy, National Fire Conference, National Fire Prevention and Control Administration, P.O. Box 19518, Washington, D.C., 20036, or call 202-634-7663.

Technology Clearinghouse To Aid Minority Business

Commerce's Office of Minority Business Enterprise (OMBE) has developed a program to provide minority-owned business firms with improved access to technical innovations developed under federal government contracts and by private corporations without federal aid.

OMBE recently completed the first phase of this new technology utilization program, which involved gaining support among a broad base of federal agencies and private businesses who conduct technology utilization programs.

Under the second phase, the Booker T. Washington (BTW) Foundation of Washington, D.C., will design and test the operation of a technology clearing house which will offer access to information concerning: 1) product identification; 2) feasibility analysis; 3) marketing; and 4) financing, to minority firms in adapting new technology for the development of commercial products. The new Center will begin providing services to minority firms nationally when the design has been fully tested.

Special assistance

BTW will be assisted in the design and development of the center by Technology and Economics (T&E), a Cambridge, Mass., research and development firm specializing in technology transfer and technology utilization. T&E is currently a prime contractor to NASA's Office of Technology Utilization, responsible for applying space technologies to the building and construction industries.

NFL-COMMERCE TEAM AIDS POTENTIAL EXECUTIVES PURSUE COLLEGE CAREERS

Outstanding high school seniors from all over the county who had little prospect of attending college, can look forward to a four-year college career through the efforts of 25 National Football League players.

These seniors, all of whom are in the top 10 percent of their high school classes but could not have afforded to go on to college, were placed in meaningful vacation jobs found by the ballplayers through Commerce's Business Management Fellowship Program.

During the off-season, the athletes visit businesses in the 21 NFL cities where the program was operable this year and get commitments for jobs the kids can fill during every vacation period during their college careers. Generally, the jobs are in areas of mutual interest to both the firms and the students, and are designed to be progressively more responsible, so that by the time the students graduate they have acquired a background that qualifies them for a junior managerial slot.

This year's top recruiter was Ed White of the Minnesota Vikings, who matched 114 Twin Cities area students with jobs he had scouted out. Also placing more than 100 kids in jobs he had personally turned up was Joe Profit, a former New Orleans Saint who worked the Atlanta area this year.

For the second year, the ballplayers operated out of the local offices of the National Alliance of Businessmen, a nationwide volunteer organization linking more than 70,000 business firms. It was set up in 1968 to help obtain jobs for Vietnam veterans, needy youngsters and ex-offenders. The NAB provides much-needed secretarial service and office space, as well as giving the busy ballplayers a place to hang their hats.

The NAB offices can also provide the program with year-round continuity by serving as contact points for the students during the half-year that the ballplayers are back with their teams.

For the companies, it cuts down recruitment and training costs, gives direct access to top-flight future management potential, helps a firm's relationship with its community, and allows a company to track the academic progress and job performance of prospective career employees over a four-year period.

The program is open to all who qualify. A high percentage of the students who have already received fellowships have been female. This is due to the high percentage of young women in the upper 10 percent of high school graduating classes. Thus, it can also benefit a firm's affirmative-action program.

The program's on-the-job pattern calls for the students to rotate among several assignments to gain experience in a wide variety of jobs, beginning with the simplest and working up to the most exacting. By graduation, they should have acquired a well-rounded background which qualifies them for management or professional positions. However, it could also help prepare them to become entrepreneurs on their own.

To participate in next year's program, contact the Business Management Fellowship Program, Room 5206, U.S. Dept. of Commerce, Washington, D.C. 20230 (202-967-4250 or 4895), or an NAB office.

Calendar Of Business Events

Sept. 29-Oct. 1 — Scottsdale, Ariz. — Marine Distribution of Bulk Plastics Resins, Scottsdale Hilton. Sponsor: Society of the Plastics Industry, Inc. For information, SPI, 355 Lexington Ave., New York 10017 (212-573-9400).

Sept. 30-Oct. 1—Palo Alto, Calif.—Software Management—Defense Systems & Other Federal Programs, Rickey's Hyatt House. For information, V. Traub, American Institute of Aeronautics & Astronautics, Suite 1403, 444 W. Ocean Blvd., Long Beach, Calif. 90802 (213-437-7465).

Oct. 2-30—Baltimore—Computer Basics for Managers weekly course. Sponsor: U. of Maryland. For information, U. of Md. University College, Center of Adult Education, Conferences & Institutes Div., College Park, Md. 20742 (301-528-7390).

Oct. 3-5—Cincinnati—81st Annual Meeting of Ohio Valley Improvement Assn., Netherland Hilton Hotel. For information, OVIA, 401 Carew Tower, Cincinnati, Ohio 45202.

Oct. 3-8—Pittsburgh—First Congress of International Technology, Pittsburgh Hilton. For information, International Technology Institute, 7125 Saltsburg Rd., Pittsburgh, Pa. 15235 (412-795-5300).

Oct. 5-7—Cincinnati — NONTRAD '76 (Conference on Nontraditional Machining), Convention Ctr. For information, Society of Manufacturing Engineers, P.O. Box 930, Dearborn, Mich. 48128 (313-271-1500).

Oct. 5-7—Washington—Improving Managerial Skills, Georgetown University. For information, Continuing Management Education—SSCE, Georgetown Univ., Washington, D.C. 20057 (202-625-4353).

Oct. 5-8—College Station, Tex.—Second International Marine Technology Assessment Conference, Texas A&M Univ. For information, Dan Bragg, Industrial Economics Research Division, Texas A&M University, College Station, Tex. 77843 (713-845-5711).

Oct. 5-8—New York — GASTECH 76 (Conference on LPG and LNG), New York Hilton. For information, Gerald G. Kallman, Kallman Assoc., 30 Journal Sq., Jersey City, N.J. 07306 (201-653-3304).

Oct. 6—Columbia, S.C. — Business/Consumer Relations Conference, Carolina Inn. Sponsors: S.C. Chamber of Commerce, Commerce District Office. For information, Margaret Patrick (803-765-5345).

Oct. 6-8—Gaithersburg, Md.—National Conference of Standards Labs, National Bureau of Standards. For information, R. C. Sangster, NBS, Boulder, Colo. 80302 (303-499-1000 ext. 4329).

Oct. 7—New York—Sixth Annual Eco-Technic Recycling Conference, Waldorf-Astoria Hotel. For information, Howard Ness, National Assn. of Recycling Industries, Inc. 330 Madison Ave., New York 10017 (212-867-7330).

Oct. 8—Cumberland, Md.—Business Opportunity/Federal Procurement Conference, Ali Ghan Country Club. Sponsor: U.S. Rep. Goodloe E. Byron. For information, Robert C. Petersen, Greater Cumberland Chamber of Commerce, City Hall Plaza, Cumberland, Md. 21502 (301-722-2820).

Oct. 8—Houston—Productivity Today—Annual Fall Industrial Engineering Conference, Marriott Motor Hotel. For information, Marvin Smith, Industrial Engineering Dept., University of Houston, 3801 Cullen Blvd., Houston, Tex. 77004 (713-749-2538).

Oct. 12—Gaithersburg, Md.—Symposium for Documentation of Computer Programs and Automated Data Systems, National Bureau of Standards. Sponsors: NBS and Civil Service Commission. For information, Mark Silverman, U.S. Geological Survey, Computer Center Div., 12201 Sunrise Valley Dr., Reston, Va. 22092 (703-860-7117).

Oct. 14—Kingsport, Tenn.—Productivity Measurement Seminar, Ramada Inn. Sponsor: Greater Kingsport Area Chamber of Commerce. For information, Commerce Memphis Office.

International Commerce Report

Producing In U.S. Seen Best Entry To Market

SWEDISH-BASED STEEL FIRM'S EXPERIENCE IN AMERICA ILLUSTRATES ADVANTAGES FOR FOREIGN SUPPLIERS

The competition is the keenest anywhere in the world, but the opportunities are the greatest—now more than ever.

A European-born industrialist thus characterized the current U.S. manufacturing scene to executives from 15 nations who are examining possible establishment of production facilities in the United States.

Bert A. Fernaeus spoke from direct experience. His Sweden-based specialty steel firm, Sandvik, Inc., is in the midst of a major expansion of its still new tubular plant at Scranton, Pa. Sandvik has served American customers since 1876, has operated its own distribution net in this country throughout the 20th century, and took the plunge into U.S. manufacturing about 15 years ago.

Invited to present the Sandvik story as a "case study" at a manufacturing investment seminar at Reston, Va., this month, Fernaeus explained why his company had turned to U.S. production. "As with many other importers, we had reached a plateau in our sales to the American market. For us it was in the neighborhood of 5 percent of the total U.S. market. If we were going to go beyond that, we knew we had to provide services that were not possible from Europe. I should mention delivery schedules, for one. The U.S. customer, you know, is spoiled—he wants, and gets, two to three weeks delivery where others will accept months. It was a question of manufacturing here, or retreating from an attractive market. So in 1960 we established our first American plant, and we have been growing ever since."

Fernaeus sketched some of the great differences in the American business scene from the European environment he had known. Government spending and purchasing is not dominant here, which makes the free market forces so much stronger. Then, only a mere fraction of U.S. production is exported—a tempting circumstance to a European scenting unlimited growth possibilities. Also, it was quickly apparent to him that mass production for a huge market could bring costs down. And that legendary pioneer American spirit of achieving success through hard work—yes, it was still in evidence.

On the other side of the ledger, Fernaeus found some major challenges. The U.S. market demands greater flexibility in using and risking capital. American customers, as he put it, "decide suddenly to spend or not to spend." As a consequence, startups in production are faster than Europeans are accustomed to, and so are the shutdowns. And the extent of the zest for competition that exists in America can be a startling experience for a foreigner.

Fernaeus is one of seven Swedes working with 350 Americans at the Sandvik Scranton plant. About 90 percent of the employees were hired locally. Excellent two-way relationships have been established with the local community, beginning with the chamber of commerce. Employment, training, promotion and community involvement policies have solidified Sandvik's status in Scranton.

Sandvik is reaping benefits as a producer in the U.S. market today rather than an importer, Fernaeus concludes. The international currency realignments of the 1970s have had a significant effect on comparative costs. Looking at the wage scales in his own company, Fernaeus sees them tipping markedly in favor of U.S. production. In regard to productivity, he commented that the record of the U.S. affiliates has been good, and is possibly now better than that of the Swedish parent.

The investment seminar was sponsored by the National Association of State Development Agencies, the U.S. Commerce Department, and the Chamber of Commerce of the U.S. Similar meetings have been held earlier in Tokyo, Osaka, Munich, Duesseldorf, Stockholm, Paris and London.

Speakers outlined the opportunities awaiting foreign investors in these terms:

About the overall American "open door" policy, Assistant Secretary Leonard S. Matthews of the Commerce Department said: "The basic attraction for investing in the United States is the chance to make a fair profit. And we have the kind of business climate that lets you do that, without the restrictions you find in many other countries."

On the economic outlook to 1980, Chase Manhattan Bank economist Richard M. Everett said he believes the U.S. can overcome its price inflation problems and achieve an annual growth rate of about 5 percent in the years ahead. He commented that he felt the current uptrend could be maintained for an extended period, and saw brightest prospects in the capital equipment and consumer goods field.

About U.S. regulations affecting corporate activities, particularly anti-trust laws and those touching consumer protection, work safety and environmental protection, lawyer Mac Dunaway advised the foreign executives not to view this federal interest with trepidation, but to see it rather as an effort to insure fair markets for all enterprising businessmen.

On U.S. labor relations, another lawyer, Virgil B. Day, said that the central and significant factor is that U.S. workers have an excellent understanding of their stake in the continuing success of the free enterprise system. Thus, he declared, strikes and work stoppages, though sometimes widely publicized, should be seen in perspective, as a minor element in a generally stable, healthy working climate.

On U.S. productivity, Commerce Department Chief Economist Dr. John W. Kendrick sketched the trends in the postwar years, noting that the long series of increases had been interrupted in the mid-1970's, but that there has been a resumption of the uptrend. He emphasized that a period of disillusionment among many Americans with their economic system appears to be ended, and that stability and continuity will be the keynotes in the months ahead.

Describing state assistance available

to manufacturing investors, Mark Feinberg of the Connecticut Department of Commerce defined it in five categories: 1) information, including data on marketing, operating costs, labor, taxes, laws and business climate; 2) direct finder services on plant sites and facilities; 3) help with financing, both public and private, including mortgage insurance, tax-exempt bonds, and funds for both property and equipment; 4) labor recruitment and training, and 5) liaison with governmental units on permits and licenses.

A presentation on comparative taxes by Nebraska official Ron Mertens concluded with observations that varying tax incentives, though important, should not be the prime factor in determining possible investment locations, and that tax levels generally reflect the level of services provided.

U.S.-Polish Trade Discussions Identify Thirty Joint Projects

U.S.-Polish trade appears to be heading toward the $1 billion mark this year and could reach a $2 billion level by 1980, the Joint American-Polish Trade Commission concluded during talks this month in Washington.

The governmental body held its sixth session at the Commerce Department, with the meetings being chaired for the United States by Secretary of Commerce Elliot L. Richardson and for Poland by Vice Premier Kazimierz Olszewski.

Among matters reviewed at the Commission session were business facilitation problems; recent Polish regulations regarding conditions for foreign investment; U.S. export control licensing procedures; Polish financial capabilities; negotiation of a new "Bilateral Airworthiness Agreement;" and increasing U.S.-Polish trade through cooperation ventures.

The Polish side identified specific industrial sectors and projects offering particular opportunities for cooperation with U.S. firms, including some in third countries in activities in which the Poles have special expertise.

The U.S. side indicated that some items on the list may conflict with the U.S. Export Administration Act. Interested U.S. firms should consult in advance with the Bureau of East-West Trade's Office of Export Administration on export licensing requirements and with its Trade Development Assistance Division for marketing advice.

The list does not preclude the development of cooperative arrangements in other fields of economic activity, but calls special attention to the following:

- Cooperation in chemical conversion of coal.
- Cooperation in production of equipment suitable for modern methods of coal extraction and coal processing.
- Cooperation in manufacturing of geophysical equipment, seismic apparatus, drilling and geological research items.
- Expansion of copper industry (copper processing and ingot-less rolling of copper).
- Expansion of aluminum metallurgy and aluminum processing.
- Iron and steel metallurgy (rolling mills, wire and pipe drawing, foundries and forges).
- Production of graphite electrodes and of electrode needle coke.
- Cooperation in production of paper mill machinery.
- Cooperation in production of high power steam turbines.
- Expansion of shipbuilding (construction of specialized vessels of total displacement up to 70,000 TDW, mainly barge-carriers, RO-RO, container and semi-container ships, produce-carriers).
- Cooperation in construction of installations for production of sulfuric acid and soda ash for sales in third markets; subcontracting for other chemical plants.
- Joint suppy of sugar plants (processing beets and cane) to third markets.
- Production of integrated circuits (LSI), thyristors and diodes for deflection.
- Cooperation in production of van-type vehicles.
- Cooperation in production of machine tools.
- Production of abrasive discs.
- Cooperation in production of electronic calculators.
- Cooperation in production of color TV picture tubes and heat resistant glass.
- Cooperation in production of textile machinery.
- Cooperation in manufacturing of construction machinery.
- Cooperation in manufacturing of antibiotics.
- Manufacturing of polyester fibers and DMI.
- Expansion of synthetic leather manufacturing.
- Manufacturing of synthetic rubber (especially chloroprene).
- Manufacturing of potato-based products.
- Equipment for production of instant oatmeal.
- Pneumatic grain handling equipment.
- Equipment for production of food concentrates.
- Technology and equipment for concentration of fruit juices.
- Installation for production of cans for goods preservation.

U.S. SHARE OF WORLD'S MANUFACTURED EXPORTS DROPS IN FIRST QUARTER

The U.S. share of world exports of manufactures, excluding shipments to this country, in the first quarter returned to its level of the first two quarters of 1975. At 20.7 percent of the world total, the U.S. share in January-March was more than a full percentage point below the final two quarters of last year.

The decline from the final three months was heavily affected by the drop of four percentage points in the U.S. share of transport equipment, where large swings in deliveries are not unusual. A smaller, although still substantial decline was reported in the U.S. export position in nonelectrical machinery. Only in miscellaneous manufactures, which mainly includes nondurable consumer goods and professional and scientific instruments, did the United States post a share rise of consequence.

The shrinkage in the overall U.S. share from the preceding quarter was attributable to a small decline in the value of U.S. shipments, accompanied by a sizable increase in exports from the other 14 leading suppliers as a group. Exports from the other countries, adjusted for exchange rate changes, averaged nearly 10 percent higher than in the preceding quarter, in part in response to the pickup in worldwide economic activity. Japan and Germany posted export increases of 16-17 percent, while Italy's sales showed little change, and those of the Netherlands declined.

The large drop in the U.S. share of world exports of transport equipment resulted from a 15 percent decline in deliveries from their fourth quarter 1975 level at the same time that sales by the other suppliers as a group expanded. Belgium-Luxembourg, Sweden, Germany, and Japan posted particularly substantial increases in foreign sales. The major decrease in U.S. shipments occurred in military aircraft, although civilian plane deliveries declined as well. Exports of new automobiles also dropped in value as did exports of trucks, especially to Iran, following their huge increase in 1975. Partially offsetting these declines was a moderate rise in shipments of automotive parts to Canada.

The U.S. share in nonelectric machinery was reduced nearly to that prevailing in the middle of 1974 after increasing throughout last year. The decline in the value of these U.S. exports in January-March contrasted with the sizable increases recorded by several competitors, notably Japan, Germany, France, Belgium-Luxembourg, Sweden, and the United Kingdom. U.S. exports of power generating machinery, materials handling equipment, nonagricultural tractors, and agricultural machinery declined by 10 percent or more. Conversely, deliveries of metalworking machinery, especially to the American Republics, were buoyant.

Although U.S. exports of electric equipment grew moderately in value, the U.S. position relative to other countries declined to a level below the 1974 or 1975 average. Exports from Japan jumped by 44 percent over the final 1975 quarter, while Germany, the United Kingdom, and France recorded lesser, but still substantial increases. Sales of the other major suppliers generally grew at a much slower rate than did those of the United States, or as in the case of Sweden and Switzerland, declined in value from the preceding quarter.

Little change was recorded in U.S. shares of chemicals or basic manufactures. In the latter, which includes semimanufactures of various materials and a few finished metal products, exports from the major trading countries, led by larger sales from Japan, Belgium-Luxembourg, and Germany, expanded at about the same rate as those from the United States. The growth in U.S. exports was slowed by a sharp decline in shipments of steel tubes, pipes, and fittings, especially to the oil exporting nations, which partially offset stepped-up deliveries of paper and textile yarns and fabrics. The U.S. share of world exports of chemicals continued at its recent high level, as increased sales of plastics, dyes, and other products added $100 million to chemical exports. Sales of all the larger U.S. competitors except Japan also rose strongly in the first quarter.

In miscellaneous manufactures—the smallest-valued U.S. export group—this country's share increased by half a point to a record 18.4 percent. Exports of scientific instruments and sound recorders rose moderately in value. There were only modest advances in shipments from France and Italy, and a steep fall from the Netherlands, while Japan, Switzerland, and the United Kingdom posted larger increases in foreign sales than did the United States.

Briton, Ford Executive Will Address Traders

The head of the British Trade Board, Edmund Dell, is one of the featured speakers at the 63rd National Foreign Trade Council convention, to be held in New York Nov. 15-16. Another is Lee A. Iacocca, Ford Motor Co. president.

Chairman and convention keynoter is Howard Morgens of the Procter & Gamble Co. The convention will be called to order by James M. Roche, chairman of the sponsoring Council and a former board chairman of General Motors Corp.

U.S. SHARE OF WORLD EXPORTS OF MANUFACTURES

Adjusted for seasonal variation

Commodity	**U.S. exports** (million dollars)	**U.S. share*** (% based on export-weighted exchange rates[1])
Manufactures, total		
1974	64,559	20.3
1975	72,176	21.3
1974 1st qtr.	14,273	20.4
2nd	15,825	19.8
3rd	16,861	20.1
4th	17,737	20.9
1975 1st	17,359	20.7
2nd	17,678	20.6
3rd	18,399	21.9
4th	18,906	21.8
1976 1st	18,422	20.7
Chemicals		
1974	8,891	18.5
1975	8,760	20.3
1974 1st qtr.	2,027	19.5
2nd	2,183	17.9
3rd	2,355	17.8
4th	2,332	18.9
1975 1st	2,333	19.8
2nd	2,103	19.3
3rd	2,096	21.2
4th	2,245	21.0
1976 1st	2,340	21.2
Nonelectric machinery		
1974	16,811	26.4
1975	21,083	27.6
1974 1st qtr.	3,639	25.8
2nd	3,987	26.5
3rd	4,434	26.3
4th	4,802	27.1
1975 1st	4,953	27.0
2nd	5,302	27.4
3rd	5,329	27.7
4th	5,514	28.1
1976 1st	5,344	26.6
Electric machinery		
1974	7,156	23.1
1975	7,775	22.6
1974 1st qtr.	1,606	23.0
2nd	1,743	22.6
3rd	1,925	23.8
4th	1,890	22.8
1975 1st	1,872	22.7
2nd	1,929	22.3
3rd	1,955	22.6
4th	2,021	22.7
1976 1st	2,171	22.3
Transport equipment		
1974	14,583	29.2
1975	17,323	28.1
1974 1st qtr.	3,153	30.2
2nd	3,522	27.7
3rd	3,697	28.8
4th	4,268	30.5
1975 1st	3,854	28.0
2nd	4,126	26.6
3rd	4,749	30.3
4th	4,713	27.6
1976 1st	4,028	23.5
Basic manufactures		
1974	11,490	12.3
1975	11,229	12.6
1974 1st qtr.	2,560	12.7
2nd	2,922	12.3
3rd	3,012	12.0
4th	3,012	12.2
1975 1st	2,835	12.1
2nd	2,760	12.1
3rd	2,772	12.8
4th	2,866	13.3
1976 1st	2,873	13.2
Miscellaneous manufactured articles		
1974	5,628	17.3
1975	6,006	17.6
1974 1st qtr.	1,288	17.5
2nd	1,468	17.8
3rd	1,438	17.0
4th	1,433	17.0
1975 1st	1,512	18.0
2nd	1,453	17.1
3rd	1,498	17.6
4th	1,547	17.8
1976 1st	1,666	18.4

Note: The term "manufactures" refers to chemicals, machinery, transport equipment, and other manufactures except mineral fuel products, processed food, fats, oils, firearms of war, and ammunition. World exports are defined as exports from the 15 major industrial countries. Percentage shares are based on values excluding shipments to the United States. These nations, which account for 80 percent of world exports of manufactures to foreign markets, are: United States, Austria, Belgium-Luxembourg, Canada, Denmark, France, Federal Republic of Germany, Italy, Netherlands, Norway, Sweden, Switzerland, United Kingdom, and Japan.

* Of world exports to foreign markets.

[1] Export-weighted exchange rate indexes are calculated for each supplier in each period, using official rates of exchange vis-a-vis 67 principal markets.

Official Trade Briefs

This article is another in a series of reports that describes actions affecting world trade, as compiled by the Legislative and Tariff Policy Division of the International Economic Policy and Research Bureau's Office of International Trade Policy.

THE PRESIDENT

Generalized System of Preferences: President Ford issued Executive Order 11934 Aug. 31 modifying the list of products covered by the U.S. Generalized System of Preferences (GSP) and designating Portugal as an eligible GSP beneficiary. Added to the list of products eligible for preferential, duty-free treatment was **tamarind paste.** Deleted from duty-free status were **plastic sew-on fasteners, pig and hog leather, inedible gelatin** and **black and white television picture tubes** larger than 16.4 inches.

Also, action was deferred, pending information from the U.S. International Trade Commission, on requests to remove GSP eligibility for **leather wearing apparel,** certain **small electric motors, artificial flowers** and **cast iron household stoves** and **fireplace grates.**

Finally, the Executive Order, which appeared in the *Federal Register* Sept. 1, permits duty-free treatment of **bulk tequila** from Mexico, **unrefined castor oil** from Brazil and certain **cork articles** from Portugal. These products were determined not to be produced in the United States and thus exempt from the "competitive need" limitation which removes GSP eligibility for a product from any country accounting for at least 50 percent of total U.S. imports of the product.

The President also reinstated GSP status for Costa Rican **sugar** exports, retroactively to March, because a correction of U.S. import statistics revealed that Costa Rica was not exporting to the U.S. over $26.6 million worth of sugar, thereby not rendering it ineligible for GSP treatment under the "competitive need" limitation.

Honey Case: Following an affirmative decision by the U.S. International Trade Commision on a Section 201 escape clause petition by members of the honey industry, President Ford on Aug. 28 announced his decision to deny import relief to the commercial honey producing industry. The President stated that an increase in the duty on honey would not be in the national economic interest. In his determination, the President noted that adjustment assistance is available to workers and firms who are injured by imports providing they meet the criteria established under the Trade Act of 1974.

In seeking import relief, the honey producers raised the issue of the recent three-year decline of bee colonies as it pertains to the role played by honey bees in the pollination of certain U.S. crops. In announcing his decision, the President took note of these concerns and directed the Secretary of Agriculture to conduct a study on the importance of pollination by honey bees to U.S. agriculture and consumers.

CONGRESS

Tax Reform Act—Congress passed the Tax Reform Act of 1976, H.R. 10612, on Sept. 16, after the House-Senate Conference Committee resolved the differences between the Senate and House versions. Provisions of interest to international traders include the following: the "Ribicoff Amendment" revising the present law governing what is considered to be a "finding" by the International Trade Commission (ITC) for purposes of the import relief (escape clause) procedures of the Trade Act of 1974; a provision amending section 502 (b) of the Trade Act of 1974, dealing with eligiblity for designation as a beneficiary country under the Generalized System of Preferences (GSP); amendments to certain provisions of the tax law concerning Domestic International Sales Corporations (DISCs); and a provision dealing with tax treatment of entities participating in foreign boycotts.

Escape Clause: The purpose of the "Ribicoff Amendment" is to insure that Congress has the opportunity to override Presidential decisions with regard to the imposition of import relief available under sections 201 and 406 of the Trade Act when the President does not implement a relief action recommended by the Commission. Under current law, Congress may vote to override only in those cases in which there is a majority of Commissioners agreeing on a remedy. Under the Act if a majority of Commssioners cannot agree, then a remedy agreed upon by a plurality of at least three shall be treated as the remedy "finding." In the case of a tie vote, with each group including not less than three Commissioners, 1) if the President takes action recommended by one of the groups, Congress through the override procedures may impose the relief agreed upon by the other group; or 2) if he takes action other than one recommended by either group, Congress through the override procedures may impose the relief recommended by either group.

GSP: Congress passed a provision amending section 502 (b) of the Trade Act of 1974 to deny beneficiary status under the GSP to any country which ". . . aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism. . . ." The provision also permits the President to waive this requirement in the national economic interest.

DISC: Congress would amend DISC to make tax deferral benefits available only to the extent that current export gross receipts exceed 67 percent of the annual average for a designated base period, initially 1972-1975 and moving forward one year after 1979. Also, DISC benefits for sales of military equipment would be halved. These changes alter the law which allows U.S. exporters to defer the imposition of U.S. income taxes on half of their export profits by forming special corporations called DISCs.

Boycott: The Act also contains a boycott provision. A U.S. company participating in international boycotts would lose that portion of its foreign tax credit, DISC benefits for exports and tax deferrals on overseas earnings which is related to the income associated with the international boycott. Under the Act, a U.S. taxpayer participates in international boycotts if, as a condition of doing business in a country, the taxpayer agrees not to: 1) conduct business with a certain country (secondary boycott), 2) conduct business with other U.S. individuals or companies that do business in certain countries (tertiary boycott); 3) conduct business with any company whose managers or directors are of a specific nationality, race or religion; 4) hire certain employees or directors because of their nationality, religion, or race; or 5) ship or insure goods on a carrier owned, leased, or operated by a person not participating or cooperating with an international boycott. Domestic boycotts, wherein one U.S. company boycotts the goods and services of another, are not provided for in this legislation unless it can be proven that there is a connection with a foreign country or company that has required the boycott. A further provision gives taxpayers locked into boycotts by contracts negotiated before Sept. 2, 1976, until the end of 1977 to extricate themselves from these agreements. New contracts will not have this grace period. These international provisions are to apply to participation in boycotts 30 days after the date of enactment.

Bills Passed—Senate: The Senate passed S. 3084, a bill designed to strengthen and extend for three years the Export Administration Act. The Senate version included the following committee amendments: stating it is U.S. policy to utilize export controls to encourage other countries to prevent the use of their territory for acts of international **terrorism;** giving Congress 30 days to disapprove by concurrent resolution any controls on **agriculture exports** imposed for foreign policy purposes; exempting **petroleum products** refined in U.S. foreign trade zones from foreign crude oil export controls for short supply purposes; prohibiting the exportation of **horses** destined for slaughter overseas; and calling upon the President to seek agreement among nuclear exporting nations in regard to standards for such exports.

In other action, the Senate ratified the International Coffee Agreement and the International Wheat Agreement. The agreements provide for formal U.S. membership in organizations in which the U.S. has participated in previous years. The International Wheat Agreement essentially provides for a two-year extension of U.S. participation in the Wheat Trade Convention and Food Aid Convention while efforts continue to negotiate a more comprehensive agreement. The Wheat Trade Convention does not contain any provisions on maximum and minimum prices, or on purchase and supply obligations. U.S. contributions to the Food Aid Convention will remain within the range of what the U.S. would provide even without the convention.

The Coffee Agreement does not set or index prices. The agreement provides for export quotas in times of price declines and provides incentives for exporting countries to stock coffee to cover short-term supply interruptions. The Coffee Agreement is effective for a period of six years, but a clause for renewal at the end of the first three years is included.

Bills Passed—House: The House passed H.R. 14681, to provide for **termination of**

investment insurance and guarantees issued by the Overseas Private Investment Corporation in any case in which the investor makes a significant payment to an official of a foreign government to influence the actions of such government. The bill is presently before the Senate Committee on Foreign Relations.

Committee Action—Senate: The Senate Finance Committee reported favorably the following trade-related bills: H.R. 1386, providing for duty-free entry of **carillon bells** for Smith College; H.R. 8565, dealing with duty-free importation of **loose glass prisms** used in chandeliers and wall brackets; H.R. 5401, for continuation of duty-suspension on **race horses**; H.R. 11321, for the temporary suspension of duty on certain **elbow prostheses**; H.R. 12254, for the continuation of duty suspension on certain **bicycle parts**; and H.R. 7727, for the continuation of duty suspension on certain **silk yarns.** Still pending Committee action is H.R. 11605, to suspend until June 30, 1978, the rate of duty on **mattress blanks** of rubber latex.

The Senate Committee on Foreign Relations ordered favorably reported S. 1439, the Export Reorganization Act, which would reorganize certain export functions of the federal government particularly with respect to nuclear safeguards. The Joint Committee on Atomic Energy, however, voted to oppose S. 1439.

Hearings—Senate: The Subcommittee on International Trade of the Senate Finance Committee held hearings concerning extension of the President's authority to waive the freedom of emigration requirement of the Trade Act of 1974. Arthur Downey, Deputy Assistant Secretary of Commerce for East-West Trade, testified.

The Committee on Banking, Housing and Urban Affairs held joint hearings with the Finance Committee's Subcommittee on International Finance on H.R. 13953, authorizing U.S. acceptance of fundamental changes in the Articles of Agreement of the International Monetary Fund, and authorizing U.S. consent to an increase in its quota in the fund. The hearings were recessed subject to call.

Committee Action—House: The House Committee on International Relations reported favorably on H.R. 7665 and H.R. 15377, to extend the Export Administration Act of 1969, and adopted several amendments thereto. Among them was an Arab boycott amendent which would prohibit secondary and tertiary boycotts. The amendment requires a report to the Secretary of Commerce of any such boycott requests and further requires the publication of these requests by the Secretary. Also adopted was an amendment designed to control the export of nuclear materials and equipment, the thrust of which is to maintain U.S. control of the reprocessing of nuclear material and to provide that future export agreements for nuclear material and devices include reprocessing agreements.

Other amendments were adopted to exclude from quantitative restrictions **petroleum products** refined from foreign crude oil in Foreign Trade Zones; to permit the export of **agricultural products** purchased by a foreign country but stored in the U.S.; and to prohibit the use of AID funds to construct or operate a nuclear power plant in any foreign country. The House-Senate conference committee will meet to resolve differences between the House version and S. 3084 passed by the Senate (reported previously on page 23).

The House Ways and Means Committee passed a resolution requesting the ITC, pursuant to section 332 of the Tariff Act of 1930, to conduct a study of the production of **solid state watches** in the U.S. with reference to enactment of H.R. 14600, a bill to provide for the reclassification and imposition of higher duties on imports of such watches. This action was taken at the recommendation of the Subcommittee on Trade, following a markup session they held on bills to change the import treatment of such watches and of **flourspar** (H.R. 14600 and H.R. 14599, respectively). The Subcommittee, while recommending the resolution, voted to pass over the bills.

The full committee also passed over H.R. 15357, to amend the Tariff Schedules to require proof of liability insurance for automobiles entering into the U.S. for personal use by non-resident and foreign government personnel. This bill previously had been approved by the Trade Subcommittee.

Other bills considered by the Trade Subcommittee and reported favorably to the full committee, where action is still pending, include: 1) H.Con.Res. 733, urging the President to negotiate agreements limiting imports of canned mushrooms and, if agreements are not obtained within 90 days after negotiations begin, urging the ITC to reopen the mushroom import relief case and to determine the measures necessary to remedy whatever serious injury is found to domestic mushroom processors; 2) H.R. 11429, to repeal the provisions of tariff items 806.30 and 807.00 which permit duties to be paid only on the foreign value added on imports of metal articles of U.S. origin and of products assembled abroad containing U.S. components, as amended to repeal item 807.00 only as it applies to **textiles, apparel, and gloves;** and 3) a resolution requesting the ITC to conduct a study under the provisions of section 332 of the Trade Act of 1930 of the operation and economic effects of items 806.30 and 807.00.

The Subcommittee on Oversight and Investigation of the House Committee on Interstate and Foreign Commerce approved for full Committee consideration a report entitled, "The Arab Boycott and American Business." Responding to the report, Secretary of Commerce Richardson noted seven steps that "clearly reflect" Departmental policy to implement anti-boycott law "fully and vigorously."

New Legislation: In the second session of the 94th Congress, 174 trade and related bills have been introduced. Bills not previously reported in this column include: H.R. 15198 and H.R. 15379, to impose quantitative limitations on the importation of **mushrooms** into the U.S.; H.R. 15262, to provide for certain import restrictions against enterprises engaged in prohibited **whaling** activities; H.R. 15331 and H.R. 15362, to require that imported **palm oil products** made wholly or in part of imported palm oil be labeled, to provide for the inspection of imported palm oil and palm oil products, and to require that such imports comply with certain minimum standards of sanitation; H.R. 15357, to amend the Tariff Schedules of the U.S. to require proof of liability insurance for autos entered into the U.S. for personal use by nonresidents and foreign government personnel; H.R. 15369, to increase the tariff on **candles and tapers;** H.R. 15377, to amend the Export Administration Act of 1969.

THIS MONTH . . .

- **Traders considered in Tax Reform Act.**
- **President modifies GSP.**
- **Treasury acts on auto dumping.**

Also, H.R. 15391, to amend the **meat** import law in order to limit the quantity of certain prepared or preserved beef and veal which may be imported into the U.S. after 1976; H.Con.Res. 715, to express the sense of Congress that the President should provide, pursuant to section 203 of the Trade Act of 1974, effective import relief to remedy the serious injury being caused to the domestic **non-rubber footwear** industry by increased imports; H.Con.Res. 733, to express the sense of the Congress with respect to the importation of **canned mushrooms** into the U.S.; H.Res. 1480, calling upon the President to terminate the 1972 agreement with the Soviet Union regarding certain maritime matters, if that Government persists in its refusal to abide by the provisions that a proportion of the cargo covered in the instrument be transported in U.S. vessels; and S. 3766, to amend the Export Administration Act of 1969 to prohibit the exportation of **horses** intended for slaughter.

TREASURY DEPARTMENT

Antidumping Cases: The Treasury Department has announced final determinations in its dumping investigations of **automobile imports.** Of a total of 28 separate investigations, five were finally terminated (Honda, Nissan, Toyota, Porsche and Rolls Royce) because no sales at less-than-fair-value were found. The remaining 23 cases were discontinued pursuant to Treasury regulations which authorize such action whenever the Secretary concludes that continuation of an investigation is no longer appropriate. The discontinuance decisions were based upon the receipt by Tresaury of certain commitments from foreign producers regarding future prices. Prices of these 23 manufacturers will be monitored by Treasury during the next two years to be certain that the price commitments are being honored.

The Department has announced its determination that **portland hydraulic cement** from Mexico (not including non-staining white cement or cement sold by Cementos Mexicanos and Cementos de Chihuahua) is being sold at less-than-fair-value (LTFV) within the meaning of the Antidumping Act of 1921, as amended. An affirmative finding also has been made regarding the alleged sales at LTFV of **knitting machinery for ladies' seamless hosiery** from Italy. Both cases are being referred to the International Trade Commission for injury investigations. Should the Commission find injury, dumping duties will be assessed. The Department made a final determination that **industrial vehicle tires** imported from Canada are not being sold at LTFV.

The Department also has given notice that it will extend for three months the investigation period in the antidumping investigation of **clear sheet glass** from Romania, making a tentative finding on the issue of sales at LTFV due on Jan. 8, 1977.

Treasury has made formal dumping findings on imports from Japan of **acrylic sheet** (except that produced by Mitsubishi Rayon) and of **tapered roller bearings.**

Finally, antidumping proceedings have been initiated concerning **pressure sensitive tape** from Germany, in response to a petition by 3M Co., alleging sales below costs. Investigation of the same product imported from Italy was announced in May. U.S. imports of the subject merchandise from Germany were valued at $4.6 million in 1975.

Countervailing Duties: The Department has made a final affirmative determination that bounties or grants within the meaning of the Countervailing Duty Law are being paid on imports of **iron or steel cap screws,** ¼ inch in diameter and over, from Italy. The bounties or grants are in the form of rebates of the basic tax rates under Italian Law 639. A countervailing duty of about 2.4 percent ad valorem will be applied.

A similar finding was made with respect to imports from Canada of certain **glass beads** made by Canasphere Industries, Ltd., Moose Jaw, Saskatchewan. Benefits to Canasphere include a grant from the Federal Department of Regional Assistance and an interest-free loan from the Saskatchewan Economic Development Corp. The net amount of the bounties or grants has been estimated at 1.9 perment ad valorem and a countervailing duty in that amount will be applied.

The Department also announced a final determination that the net amount of the bounty or grant paid on exports of **X-radial steel belted tires,** manufactured by Michelin Tire Manufacturing Co. of Canada, Ltd. was 4.195 percent during 1974 and 2.513 percent during 1975 of the f.o.b. value of each tire. Countervailing duties in these amounts will be collected on imports made during 1974 and 1975, respectively. The estimation of bounties being paid in 1976 also is 2.513 percent and countervailing duty in that amount will be collected until the final determination is made for 1976. The original announcement of a finding of bounties or grants was made in 1973.

LABOR DEPARTMENT

Adjustment Assistance: The Department has certified workers at a number of firms as eligible to apply for trade adjustment assistance. These workers have been or may become unemployed as a result of increased imports. The workers certified (numbers where available are approximate) are or have been employees of the following firms: White Pine Copper Co., White Pine, Mich. (**refined copper,** 1600; Washburn Wire Co., New York (**quality spring steel**) 225; Rud-Shaw Clothing, Brooklyn (**men's suit coats, sport clothes**) 60; Knoxville Glove Co., Knoxville, Tenn. (**cotton and leather work gloves**) 75; Teledyne Pittsburgh Tool Steel, Monaca, Pa. (**tool steel**) 35; Advance Mfg. Co., Cleveland (**tools, dies, jigs, and fixtures**) 30; Brown Shoe Co., Fredericktown, Mo. (**men's and children's leather shoes**) 210; Republic Steel Corp., Massillon, Ohio (**stainless and specialty steel**) 65; Motorola, Inc., Quincy, Ill. (**color televisions**) 1200; Southern Screw Co., Statesville, N.C. (**screws**) 740; Strongwear Pants Co., Inc., Easton, Pa. (**men's slacks**) 70; William H. Haskell Mfg. Co., Pawtucket, R.I. (**stainless steel fasteners**) 100; C. F. Hathaway Co., Inc., Lowell, Mass. (**men's dress shirts**) 60; Crown Clothing Co., Vineland, N.J. (**men's and boy's suit coats and sport coats**) 40; Chico Sportswear Inc., Elizabeth, N.J. (**men's leisure jackets and outerwear**) 20; Station Street Corp., Bedford, Maine (**men's suits and sport coats**) 30; Jay Garment Co.: Clarksville, Tenn., (**men's permanent press work shirts and one-piece work suits and jumpsuits**), Portland, Ind. (**men's permanent press jeans and work pants**) 380; MLM Sportswear, Inc., Philadelphia (**men's sport coats, suit coats**); Marshall Ray Corp., Troy, N.Y. (**men's sport coats and leisure suits**) 125; Sweda International, Clifton, N.J. (**computers and peripheral equipment**) 20.

The Department denied petitions for trade adjustment assistance for workers of the following companies: San Toro Mfg. Co., Fall River, Mass. (**men's sport coats, suit coats and leisure jackets**) 145; Stafford Clothing Mfg. Co., Fall River, Mass. (**women's coats**) 35; Chicopee Coat Co., Chicopee, Mass. (**women's coats**) 40; Lawrence Garment Co., Lawrence, Mass. (**women's coats**) 65; Massillon Spring and Rivet Corp., Massillon, Ohio (**specialty U bolts**); Wesco Industries Corp., Plainview, N.Y. (**stop motion devices for circular knitting machines**); Teledyne Efficient Industries, Independence, Ohio (**tools, dies, jigs and fixtures**) 80; Atlas Bolt and Screw Co., Cleveland (**screws**); Scovill Mfg. Co., Newark (**slide fasteners and parts**) 180; Tracey Fashions, Chambersburg, Pa. (**pant suits, dresses, skirts, and jump suits**), 130; Wrought Washer Mfg. Inc., Wheatland, Pa. (**washers**) 15; William H. Ottemiller Co., York, Pa. (**special fasteners**); Lewis Weiner Industries, Inc., Long Island City, N.Y. (**metal and plastic zipper chain, complete zippers**) 75; Gross Galesburg Co., Galesburg, Ill. (**work clothing, grass catchers**) 55; Brainard Rivet Co., Girard, Ohio (**cold-headed solid fasteners**) 30; Mayflower Coat Mfg. Co., Brockton, Mass. (**men's all-weather coats**) 25; Wear Well Trouser Co., Worcester, Mass. (**men's dress trousers**) 20; Hoover Seng Co., Los Angeles (**metal frames for sofa beds**); Standard Locknut and Lockwasher, Inc., Carmel, Ind. (**locknuts, lockwashers, and bearings**); Essex Mfg. Co., Fall River, Mass. (**men's and women's sport jackets**) 50; AVC Modulus Corp., Gary, Ind. (**industrial ferrous fasteners**) 40; Redi-Bolt, Inc. (Div. of Medalist Industries), East Chicago, Ind., (**bolts, expanded metal items**) 20; B. W. Freeman Heel Co., Inc., Owensville, Mo. (**heel and sole combinations**) 25; Lyn-Flex Freeman, Owensville, Mo. (**shoe components**) 5; Fisher Corp., Milney, Pa. (**electronic components**); Industrial Mica Co., Englewood, N.J. (**mica products**).

The Department has revised an earlier determination and certified approximately

170 former workers producing color picture tubes at the GTE Sylvania, Inc. plant in Seneca Falls, N.Y. eligible to apply for adjustment assistance. After a May 13 determination of ineligibility to apply, a further investigation revealed that the Seneca Falls plant output was integrated into GTE Sylvania's production of color TV sets. Increased imports of color TVs in recent years were found to be responsible for decreased production of color picture tubes and the concomitant employment declines at the plant. The certification provides that all workers who became separated from employment on or after Feb. 4, 1975, are eligible to apply for adjustment assistance.

Investigations: Pursuant to petitions for adjustment assistance filed during the period July 22-Aug. 5, the Labor Department has initiated a series of investigations to determine the eligibility of workers at 14 plants in seven states. Of the total 14, five were from the **clothing** industry, three from the **shoe** industry, and three from the **automobile** industry. The remaining three were submitted on behalf of workers in the **TV** industry, in the **structural steel and steel rail transporting** industry and in the **sale and installation of auto stereo radios, auto speakers and home electronics entertainment equipment.**

Report on the Round Stainless Steel Wire Industry: A Labor Department study, conducted under section 224 of the Trade Act of 1974, indicates that approximately 750 workers in the **round stainless steel wire industry** may be eligible to apply for adjustment assistance over the next year. The Department estimates that approximately 600 wire production workers may apply for adjustment assistance at plants which have already been certified eligible, as well as an estimated 150 from smaller, more specialized firms who may apply for certification. The states mainly affected are Pennsylvania, New York, Maryland, and Indiana. This report was issued in connection with the ITC escape clause case on the subject product, in which the Commission determined that increased imports were not a substantial cause of serious injury or the threat thereof to the domestic industry (see Trade Briefs, July 19). A comparable report, regarding assistance for firms, was issued by the Commerce Department.

INTERNATIONAL TRADE COMMISSION

Antidumping Cases: The Commission has determined by a 6-0 vote that no U.S. industry is being injured by imports of **Alpine ski bindings and parts** thereof, from Austria, Switzerland, and West Germany. The determination was rendered pursuant to an ITC investigation begun following a May finding by the Treasury Department that such bindings and parts imported from the above-mentioned countries were being or were likely to be sold at less-than-fair-value (LTFV). The negative finding means that no dumping duties will be assessed.

Pursuant to Treasury's determination that **knitting machines for ladies seamless hosiery** from Italy are being, or are likely to be, sold at LTFV, the ITC instituted an investigation to determine whether a U.S. industry is being injured thereby. A public hearing in connection with the investigation will be held Oct. 12 at the U.S. International Trade Commission, 701 E Street, NW., Washington, D.C. 20436. Requests to appear should be received by the Secretary, in writing, no later than noon on Oct. 7.

Import Relief Investigation: The Commission held hearings in Los Angeles and Washington, D.C. on Aug. 24 and 31, respectively, pursuant to an ITC investigation instituted under section 201 (b) of the Trade Act of 1974, to determine whether certain **plant hangers** and **beads** are being imported into the U.S. in such increased quantities as to be a substantial cause of serious injury, or threat thereof to a domestic industry producing a like or competitive article. The Commission's final report on this 15th Trade Act "escape clause" case, is due by Dec. 22.

Section 337—Unfair Trade Practices: The Commission, on Sept. 7, followed the presiding officer's recommendation and denied a request for temporary relief in a case involving alleged unfair methods of competition and unfair acts in the importation of crude and/or prepared **chicory root** in the U.S. The investigation into the request for permanent relief under section 337 of the Tariff Act of 1930, as amended, will proceed as expeditiously as possible.

In another section 337 action, the presiding officer recommended that the Commission grant the motion of the investigative staff to terminate the investigation regarding **dry wall screws.**

The Commission also has recently instituted a section 337 investigation in response to a complaint alleging unfair methods of competition and unfair acts in the importation and sale in the U.S. of certain **exercising devices.** The complaint alleges specifically that such articles are covered by certain claims of U.S. patent no. 3,743,280, and requests that the imports in question be excluded from entry into the U.S.

Dried Milk Mixture Report: At the request of the President, under the provisions of section 22 of the Agriculture Adjustment Act, the ITC has prepared a report on whether imports of dried milk mixtures were interfering with the Agriculture Department's price support program for milk. Four of the six Commissioners determined that imports of such mixtures are causing or are likely to cause such interference or to "reduce substantially the amount of products processed in the United States from domestic milk." The four Commissioners recommended a modification of the description of dried milk mixtures which were assigned a zero pound quota so as to restrict only part of such mixtures and thereby permit the continuation of historical trade in articles or mixtures not adversely affecting the milk program.

Chemical Reports: The ITC has indicated that it will continue publishing a series of reports on **synthetic organic chemicals,** despite a vote by the Commission earlier this year to discontinue the reports. The series of reports consists of production and sales reports on all synthetic organic chemicals, an annual report on the importation of benzenoid chemicals, and monthly reports on the production of 100 key synthetic organic chemicals. As the reports are widely used by both government and industry, numerous requests to continue their publication have been received.

INTERNATIONAL

Safeguards: The Australian Minister for Industry and Commerce and the Minister for Business and Consumer Affairs announced the imposition of an absolute import quota of 20,000 units on **chest freezers** of up to 350 liters capacity. The restriction applies to all imports of the subject product other than those provided for under the New Zealand-Australia Free Trade Agreement (NAFTA).

Australia has also imposed tariff-rate quotas on imports of **plywood,** to be applied from July 1 until June 1977. Imports of plywood of a thickness exceeding 5.5 mm. but not over 23 mm. will be limited to 13,000 cubic meters during the above period. Imports, other than those from New Zealand, exceeding this quota will be subject to a temporary additional duty. Neither plywood nor freezers are bound by Australian GATT schedules.

Foreign Anti-Dumping Actions: An investigation has been initiated under section 13 (1) of the Canadian Anti-dumping Act into the alleged injurious dumping into Canada of certain **surgical gloves** originating in the U.S. and U.K.

In another Canadian action, the Anti-dumping tribunal found that the dumping of **gasoline-powered chain saws** (manufactured by McCulloch Corp. of Los Angeles and Beairdpoulan, a division of Emerson Electric Co., Shreveport, La.) into Canada is causing material injury to the Canadian production of like goods.

In Australia, a finding of a prima facie case of dumping with injury has been made in relation to imports of **vinyl acetate monomer** from the U.S. An investigation of the case is currently under way.

EDP SHOW IN STOCKHOLM—*Mario Guzzetti (left) of Perkin-Elmer, Interdata Div., explains firm's minicomputer system to Hans Rallfors (second left), President of Swedish Data Assn., and Walter Stadtler (center), U.S. Trade Center Director.*

SCANDINAVIANS PROVE CONTINUING INTEREST IN U.S. COMPUTERS

Scandinavian users and representatives of data processing equipment again proved their interest in U.S. computers and peripherals during a recent Trade Center show in Stockholm. The 1976 event, which followed by just 14 months the Center's record-setting COMPUTER '75, generated $1.6 million in immediate sales and a 12-month projection of $23.5 million.

The major trend in the Scandinavian market, according to some of the participants, is likely to be an increasing emphasis on minicomputers, intelligent terminals, and software. As end users increasingly incorporate minicomputers into their production processes and offices, demand for peripherals will mushroom. Local or third country competitors are few, accounting for only about 10 percent of the market. Generally, price is less important than technology, system packaging, and servicing. Chief third country suppliers are British, German, Dutch, Italian, French, Norwegian and Danish. No major shifts in the competitive situation based on price are seen.

In addition to minicomputers and intelligent terminals, the following products offer favorable sales potential: printing terminals, display and video terminals, disk and cassette systems, multiplexers, keyboards, microprocessors, digitals, duplex modems, punch card and paper type readers, core memories, communications switches, and marginally, paper tape and punchers.

The fast-moving pace of EDP hardware and software developments and the increasing number of companies wishing to participate in computer events at the Trade Center—65 exhibitors in this year's show—are positive indications of the desirability of future exhibitions. The Center's next EDP show, scheduled for October 1977, will feature minicomputers.

Exhibitors See Gain In Sales Of Equipment As Germans Aim At Noise Abatement

German industry's commitment to solving noise and vibration problems is reflected in its estimated 13 to 15 percent current annual increase in spending on such solutions. Also reflecting this commitment, some 550 industrialists came to the Frankfurt U.S. Trade Center recently to view an exhibition of instruments, materials, equipment, systems and accessories for just such use—analyzing and controlling noise and vibration.

A technical seminar, an additional feature with opening presentation by Dr. Walter Jeiter of the German Ministry of Labor, drew a record audience. Frankfurt's concurrent International Chemical Exhibition—ACHEMA—proved to be a valuable complement to the Trade Center event, as many ACHEMA visitors pooled taxis from the fairgrounds to attend the U.S. exhibition. One old-to-market veteran of six previous Trade Center shows described this one as "the most profitable Center event my company has yet participated in."

The exhibitors expect the German market to expand during the next two years, and see no indication of deterioration in the price competitiveness of most U.S. products. Technological superiority exists more in the monitoring, analysis and correction systems than in individual products, and exhibitors see no reason for U.S. manufacturers of such analytical systems to lose their leadership in Germany within the next few years. Exhibitors also feel that while German equality with U.S. products might be achieved in noise abatement materials, advantages would still remain with U.S. suppliers because of the relatively higher price of raw materials for this industry in Germany than in the United States.

Sales booked by the 13 participants and projected for the next year amounted to $8.8 million. Two German agents appointed during the exhibition are planning to use the Trade Center facilities later this year for between show promotions of their newly acquired U.S. product lines.

VIBRATION CONTROL—*At U.S. show in Frankfurt, L. Miedel (left) and H. Gopal (next), Endevco Corp., explain to visitors new miniature accelerometer with integral electronics for vibration measurements on light weight structures.*

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MEDRAD INC

MEDEX '76, TEHRAN—*Exhibitor Thomas E. Dodge of Medrad, Inc., explains angiographic injectors to Iranians at U.S. Trade Center's medical equipment show.*

Iran's Increased Spending For Health Care Spurs U.S. Medical Equipment Sales

The Government of Iran is spending increasingly to upgrade and expand its health care systems, and the Iranian private medical sector also is expanding rapidly. U.S. companies that participated in the MEDEX '76 U.S. Trade Center show in Tehran found good prospects for sales of medical products and equipment.

Of special significance during the recent event was the large number of agency contracts concluded. The many new products displayed by the 23 firms were of particular interest to importers of medical equipment, and each exhibitor seeking representation could choose from several applicants. By show's end, 15 agents had been signed and three were under negotiation. Floor sales reached $936,000; 12-month projections, $14.7 million.

End users appeared unconcerned with prices for the generally high-technology equipment on display. Given the relatively low duty, mostly 10 percent c.i.f. on medical equipment and 15 percent on dental, U.S. products are generally competitive with those of third-country suppliers. With only a few exceptions, buyers—especially Iranian medical personnel trained in the United States—tend to opt for U.S. equipment because they believe that the quality, durability, and dependability are superior.

With some exceptions, U.S. equipment enjoys a considerable technological advantage in the market. Of great interest locally are all forms that represent labor savings in terms of skilled medical personnel. Clinical analyzing items were clearly the stars of this show.

There is virtually no domestic production of medical equipment in Iran and imports during 1975 were well in excess of $320 million—roughly three and a half times the 1972 level. The government has budgeted for an expansion of hospital beds from the current 45,000 to more than 70,000 by 1980. Although it recently discontinued making low-interest loans to private doctors wishing to build their own hospitals, the expansion and upgrading of existing private facilities coupled with ongoing government programs provide good potential for American suppliers for at least the next five years.

Exhibition Introduces British Market To U.S. Producers Of Auto Service Equipment

An exhibition at the U.S. Trade Center in London has introduced the British market to American producers of automotive service equipment and supplies.

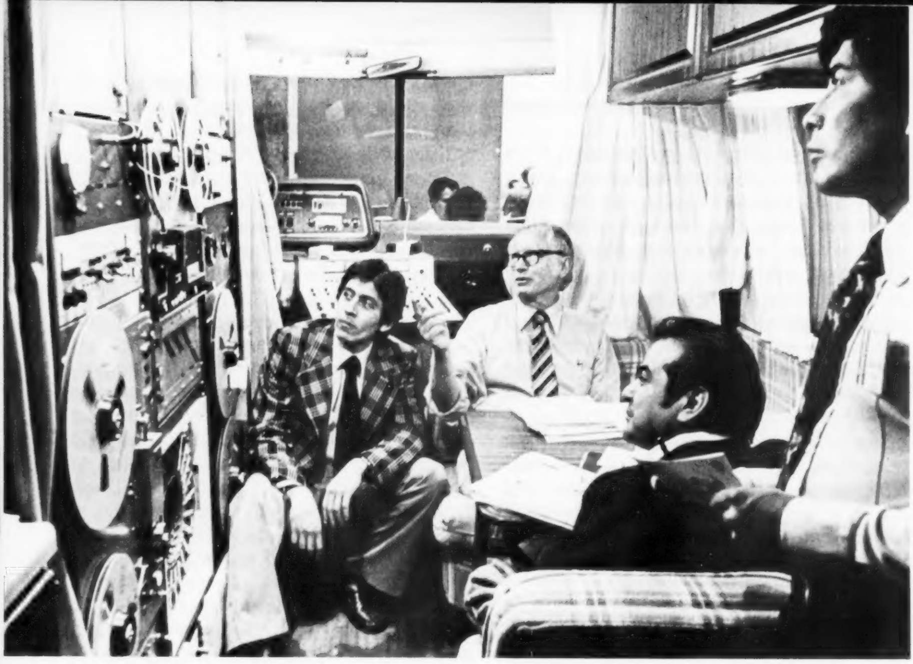
Although as recently as 1974 U.K. imports of U.S. service equipment were statistically negligible, the exhibition earlier this year generated $1,244,280 in off-the-floor sales, with an estimated $28,811,000 expected to follow within 12 months. In addition, ten sales representation agreements were signed during the event, with 38 more under negotiation, indicating that the American industry intends to take and hold a good share of the U.K. market for years to come.

The 26 U.S. exhibitors, 24 of which were new-to-market, all reported achievement of their primary objectives. Some success stories, however, stood out from the rest. Auto-Steam Inc., exhibiting outside the United States for the first time, found a licensee for the firm's unique steam-cleaning unit for vehicle interiors, sold $1 million during the show and projected $3,120,000 for the next year. But the show's star exhibitor was Specialty Tools Inc., which promoted a line of hand tools with deceptively simple design alterations that made them easier to use. Specialty's "better mousetraps" caused quite a bit of excitement, which led to the appointment of a European distributor, a first-order of $500,000 and a year's projection of $10 million.

Although legislation has not yet been passed concerning emission control in the United Kingdom, action is expected soon; thus, exhaust emission control equipment is one of the products considered to have the best potential. Others are good quality hand tools, particularly those of innovative design; automotive cleaning equipment, especially for vehicle interiors; and automatic transmission test and maintenance equipment. Car care products, exhaust fabrication equipment, automotive brake shop equipment, cranes, hoists and winches, battery chargers, and wheel balancing and alignment equipment are said to offer moderate potential.

With the high cost of automotive maintenance and repair in the United Kingdom, the market appears to be moving toward highly sophisticated diagnostic and maintenance equipment for large automotive service centers and garages, and products that can be sold through service centers and the larger multi-outlet retail stores to do-it-yourself mechanics.

QUICK CHANGE—*Huth Manufacturing Co., at London U.S. Trade Center's exhibition of automotive service equipment and supplies, displayed a machine capable of bending an exhaust pipe from straight tubing in a matter of minutes.*



COMMUNICATING IN MEXICO—*At U.S. Trade Center, Gordon McKechnie, President of VIF Int'l, discusses his automated radio station with a potential agent. McKechnie's exhibit is mounted in his 45-ft. GM van which he drove down for the show—perhaps the most unusual "booth" ever seen in a Trade Center event.*

RECORDING EQUIPMENT STARS AT MEXICAN U.S. COMMUNICATIONS SHOW

The professional audio recording equipment exhibited recently by Accurate Sound Corp. of Redwood City, Calif., was one of the "best draws in the hall" during a recent U.S. Trade Center show in Mexico City. The firm's booth was constantly crowded with visitors. Company president Ronald M. Newdoll termed the show a good one and said that he would "be back."

Radio, television, telecommunications, and cinema equipment and technology were the focus of the BROAD/COMM '76 exhibition and seminar. Best U.S. export opportunities are for products with wide application throughout the Mexican communications industry, at a high or intermediate technical level, as the simpler products are manufactured domestically.

Mexico has 670 AM and FM radio stations, all under private ownership. About 90 percent of the equipment for these stations comes from the United States. The country has 78 TV stations, and will continue to fulfill its own requirements for TV sets. There are at present three million telephones.

Pricing was not judged to be a major consideration by the exhibitors, who believed that technical capability and service facilities were more important in making sales. Moreover, U.S. proximity to the Mexican market is an important factor from the point of competitive pricing, delivery, & spare parts availability.

Many exhibitors noted competition from foreign countries, particularly Japan, U.K., Netherlands, Germany, France, Sweden, and Italy, but tended not to over-emphasize its importance in the Mexican market.

The communications industry is expected to continue to be a top performer in the economy, achieving a 12 percent annual growth rate for the foreseeable future. With an estimated 85 percent of the import market, U.S. manufacturers have a decided edge in Mexico, but more interest should pay off in increased sales, even though the import licensing system often is cited as a time-consuming barrier. Currently, a license is required for all communications equipment and instruments as well as for spare parts. Licenses are not granted if the same or a similar article is manufactured domestically, unless price differences are significant or shortages exist.

The 29 participants representing 39 exhibitors expect 12-month sales to result in a $4.4 million total. Six representation agreements were signed during the event.

Security Devices Sell Well At Paris Trade Center Event

Protection of property, persons, and privacy is a growth industry with good opportunities for U.S. exporters in France. This was demonstrated recently by an exhibition of industrial and commercial security equipment at the U.S. Trade Center in Paris.

Almost all of the 43 exhibitors, 26 of them approaching the European market for the first time, projected sales within the next 12 months—more than $6 million in all. The exhibition confirmed expanding sales potential for a variety of security products, including bullet and blast proof clothing, surveillance cameras, and counter phone-tap instrumentation and technology.

After the exhibition opened, articles in such major daily newspapers as *Le Figaro* and *France Soir,* together with radio and TV coverage, swelled visitor traffic during the busy show's last two days. As a result of contacts made during the exhibition, the 26 companies seeking representation expect to sign 56 agreements within the next 12 months, many of them outside France.

FOCUSING ON SECURITY—*Hans Schirmer, President of Schirmer National Co. (right), is presenting to visitors details of his new-to-market firm's security camera systems, during Paris U.S. Trade Center protection equipment show.*

SCHIRMER NATIONAL CO.
CFI CAMERA DIVISION
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SALES TO AUSTRALIA HINGE ON BEGINNING, STRENGTH OF LONG-AWAITED UPTURN

The value of imports has held up well through Australia's worst economic depression since World War II, but the FY 76 volume was down about 15 percent from the 1974 peak. The prospect for significant 1977 increases in real terms depends upon the beginning and strength of Australia's long-awaited economic recovery, according to this report by Robert E. Simpson, Counselor for Economic and Commercial Affairs, and Nancy M. Burkevics, Economic/Commercial Assistant, U.S. Embassy, Canberra. The data used by Simpson and Burkevics in preparing this article were collected in a joint effort by Commercial Officers of the Embassy in Canberra and constituent posts in Brisbane, Melbourne, Perth and Sydney as well as the U.S. Trade Center in Sydney.

The drop since FY 74 (Australian fiscal year is July 1-June 30) in Australian import volume has been substantial, but somewhat less than the low level of investment, consumer demand and industrial activity might have suggested. One possible reason for the comparative resistance of imports to the general economic downtrend is that internal inflation, which is continuing in 1976, has made imports more competitive and correspondingly more attractive.

This factor, plus the stronger market position which imports gained during the import surge of 1973-1975, appears partially to have offset the import-dampening effect of the domestic depression. Motor vehicle imports provide a dramatic example of this process. Despite serious difficulties in the Australian motor vehicle industry, car imports, especially from Japan, have risen sharply, providing a highly visible illustration of a process affecting other imported products.

In the case of U.S. products, this inflation-induced price improvement has been only slightly neutralized by the gradual appreciation of the U.S. dollar against the Australian dollar which has occurred under the operation of the Australian "basket of currencies" exchange rate formula since Sept. 1974.

At the same time, while the reduction in aggregate internal demand for domestic economic reasons has been partially offset by the increase in import demand for price reasons, the continuing strength of Australian exports throughout the past several years has sustained the economy's capacity to finance imports. As a result, while pressures for governmental import restrictions have been created by unemployment in a number of import-sensitive sectors, these pressures have not been reinforced by any balance of payments requirement for import austerity.

While there is little prospect of any shrinkage from the present import level during the coming year, it is not yet certain whether Australian economic recovery, especially business investment and consumer demand, will move fast enough to produce significant increases.

A July survey by U.S. Commercial Officers in major Australian commercial centers revealed a general business expectation that any 1977 import growth would be limited. Factors tending to hold down growth include the government's austere anti-inflationary budget and money supply policies, as well as the current low levels of consumer demand and industrial production. An important factor in many regions is the depressed state of agriculture, which results partly from foreign restrictions on Australian beef exports and in part from the serious drought during the past year across the southern half of Australia, which has impoverished wide areas of agriculture, especially in the States of New South Wales, Victoria and Western Australia.

Traditional source of demand

A further deterrent to rapid import expansion is lagging investment in Australia's mining sector. This industry is a major traditional source of both direct and indirect import demand. Despite liberalization of Australian foreign investment policy during the past nine months, a combination of increased development costs, uncertainties in the world mineral price outlook, and the long lead time in developing major expansion projects has delayed many new commitments in this sector. Meanwhile, other types of business investment, whether financed by domestic or by foreign capital, are at a low level pending a recovery of consumer demand and a rise in current production levels.

During the canvass numerous businessmen touched on the question of the exchange rate for the Australian dollar. The possibility of a devaluation is much on the mind of the business community, probably as a result of devaluation proposals made by various private groups in past months. Such a move would somewhat reduce the price competitiveness of imports and in the short run tend to flatten the import trend. But it should be added that the likelihood of such a move is highly doubtful. The government places the highest priority on fighting inflation, is firmly on record that it does not contemplate devaluation, and views such proposals as incompatible with its economic program.

There are also some bright spots in the import outlook. These include some tentative recent evidence that consumer demand is starting to revive, some firming in residential construction activity, and scattered signs of a pickup in industrial production. A fact of special importance for American exporters is growing evidence that the Australian economy may have completed a process of inventory liquidation. The weakening of consumer demand during the 1973-75 import boom resulted in a pile-up of inventories of imported products. These large inventories not only discouraged new orders for imports in 1975 and early 1976, but contributed importantly to the adoption of a series of special import restrictions, starting in late 1974, to bolster several Australian industries especially vulnerable to import competition. With the apparent run-down of inventories of both domestic and imported products and some simultaneous upturn in consumer demand, there is reason for hope that both domestic production and import demand will firm during the coming year.

The value of U.S. exports to Australia set a record of slightly over $US2 billion in FY 75 and fell off about 5 percent to $1.9 billion in FY 76. The U.S. market share has fluctuated in recent years. After rising to 22.2 percent in FY 74 it fell to near 20 percent in FY 76. A close look at the FY 76 figure, however, shows that the U.S. market share dropped during the first half of the year to 19.5 percent and recovered during the last half to 20.6 percent, a period in which Australia's total imports similarly dipped and recovered. On present outlook, price movements alone should cause FY 77 U.S. exports to regain the $2 billion mark reached in FY 75. If present tentative signs of Australian recovery are confirmed, they may exceed $2.25 billion.

The main components of U.S. exports to Australia consist of transport equipment and industrial machinery, which usually represent over half of the total, followed by a substantial category of industrial raw materials and supplies and varied component of consumer goods.

The first of these categories, essentially capital equipment, while down in real terms, has resisted the severe Australian investment decline surprisingly well. Moreover, the government has introduced a generous tax allowance for new investment in plant and equipment, running until June 30, 1978. But prospects for renewed growth in this category will depend largely upon the resumption of expansion in industry, mining and airline activity, all of which are probably 6 to 12 months away.

The second category, industrial raw materials and supplies, fell off markedly in fiscal 1975 and the first half of FY 76, but showed some recovery during the final half of fiscal 1976. Sales in this category should continue to grow in fiscal 1977 as Australian industrial production recovers from the present low levels of capacity.

The final category, consumer goods, suffered from the high inventories accumulated at the end of the 1973-75 import surge. But this category appears to be benefitting from the competitive advantage it has gained because of high internal Australian prices, notwithstanding the fact that the Australian dollar has been effectively devalued about 15 percent since September 1974 in terms of the U.S. dollar.

The relative cost of local manufacturing versus import from the United States has been reversed since 1972 for numerous lines in which U.S. manufacturing subsidiaries in Australia previously dominated the local market. This reversal has undoubtedly enabled many of these U.S. products to retain market positions they gained in Australia during the 1973-75 import boom. Barring devaluation, the competitive position now held by American products appears unlikely to erode in the foreseeable future, and it seems probable that with vigorous marketing support most of them can retain this position.

The Australian inflation rate, despite some easing in April-June 1976, continues to be well above the U.S. rate. The consumer goods sector of U.S. exports may in fact be among the first to improve during 1977. Australian personal income has risen even faster than Australian internal prices during the past two years, and potential consumer demand is very high. Household expenditure is now depressed by an unusually high savings rate, but when confidence in progress against inflation and unemployment begins to mount these accumulated savings should feed a strong revival of demand.

Areas of special promise

Given the diversity of Australia's imports from the United States, it is difficult and potentially misleading to single out particular items. Review of almost 300 specific trade leads forwarded to the Department of Commerce during the past six months by the five U.S. Foreign Service posts in Australia reveals concrete buyer interest in 300-400 different items, ranging across the entire spectrum of U.S. manufactured products. The particular product areas identified by U.S. Commercial Officers for this article must therefore be regarded only as product groups in which there is a special concentration of current interest and near-term potential.

Within the broad Australian demand for American products there are two categories which seem likely to do especially well during the early stages of Australian economic recovery:

Labor-saving equipment and devices: This category includes labor-saving office machinery, including computers and related equipment, as well as a great variety of other labor-saving equipment for commercial and industrial use. Following the sharp increase in Australian wage rates during the last three years, any type of equipment which will economize on white-collar or industrial labor should enjoy a brisk market as the Australian economy begins to move up.

Consumer goods including household equipment and furnishings: While this is the sector in which many of the recent import restriction actions, such as those on textiles, have been concentrated, there are nevertheless large areas in which no special restrictions apply. With the vigorous Australian appetite for the life-style of an affluent society, and with personal income to match, there should be growing opportunities for sales of this type of equipment. Items repeatedly mentioned in discussions with the business community include recreational camping and sporting equipment, kitchenware and implements, handtools, hardware of all types, arts and craft materials, cosmetics, fashions, marine hardware, toys and games and furniture.

Some other areas of special promise are:

- Security equipment for commercial and residential use. The U.S. Trade Center had a highly successful exhibit of American equipment in this field almost three years ago, and the interest originally aroused by this exhibit has continued to grow.
- Health care and biomedical equipment. Rising demand in this area was fueled by the introduction of a universal national health program in July 1975 and by parallel ambitious programs for hospital expansion and construction. These programs have been somewhat slowed by budget cutbacks. Nevertheless, this continues to be a major field of activity, the increase in expenditure on health care will inevitably continue, and opportunities for specialized American medical equipment will remain strong.
- Despite the lagging rate of expansion in the Australian minerals sector as a whole, at least one major project has been approved in the Queensland coal industry and others are possible during the coming year. American exports of machinery and equipment are especially important to the coal industry, including everything from draglines and conveying equipment to heavy loading machinery. The level of U.S. sales for this purpose should increase as these projects proceed.

ELECTRODE CORP
Diamond Shamrock

SYDNEY SHOW—*Clive Permazel (right), Diamond Shamrock (Australia) Pty. Ltd., provides details of an electrochemical chlorination system from Electrode Corp. at U.S. Trade Center's recent Clean Air and Water Equipment Exhibition.*

- There is optimism that at least one major new iron ore project will receive final approval and get started in Western Australia in the coming year. Such a development, taken together with continuing high levels of West Australian minerals exports, should firm up demand in that regional market despite the depressing effect of the current drought on its agricultural sector.
- Two other areas of interest, metalworking machinery, and pollution control equipment, are likely to develop more slowly as industrial production eventually revives in early or mid-1977.

Notwithstanding annual ups and downs, the U.S. exporter's Australian market has changed importantly since 1972. Because of differential inflation rates in the United States and Australia, the range of American products competitive on the Australian market has widened steadily while the high level of Australian exports has made it possible for Australia to afford a high continuing level of imports. Although the level of domestic and foreign investment so important to traditional U.S. capital goods sales is temporarily down, rises in consumer income are creating strong long-run markets for a variety of American products which are newly competitive in Australia. These market opportunities are inevitably drawing strong competition from Japanese and European suppliers, but Australia remains an attractive market for American manufacturers, and should offer growing opportunities as investment and industrial production begin to revive in 1977.

U.S. South Explores Iraq; Deep Freeze Giving Way To Warmth In Relations

Visitors from Mississippi, Texas, Oklahoma and Tennessee are giving Southern-style spoken American English a new prestige in the Iraqi marketplace, reports T. Patrick Killough, Commercial Officer at the U.S. Interests Section of the Belgian Embassy in Iraq. Business persons from these states have been showing special interest in the Near East nation as an untapped outlet for their firms' goods and services.

Mississippians have been especially active, with Governor William Waller leading two trade missions to Baghdad and encouraging numerous business officials throughout his state to visit the land of the Tigris and Euphrates rivers. As a result of the Mississippi missions and of the interviews and speeches which mission members gave on returning, Iraq has become known to industrial and farming leaders of the state as an unusually attractive market for local goods and services.

A Mississippi businessman named Jack Stuart, who came to Baghdad for the first time in August 1975 and is now a frequent visitor to Iraq, has begun a monthly newsletter about opportunities there; his corporate letterhead speaks of his "Offices in Morton, Mississippi, and Baghdad, Iraq." The first phase of Mississippi attention to the Mesopotamian marketplace culminated on April 3, when the National Broiler Marketing Assn. of Jackson signed a multi-million dollar contract to supply 35,000 metric tons of frozen chicken to Iraq, one of the largest such export sales in United States history.

Only the first wave

Mississippi businessmen were not the only U.S. visitors during the past year to lend activity to the bustling streets of Baghdad, Basra and Mosul. Hot on their heels into the marketplace came a Texas Agricultural Trade Mission in May, led by Lt. Governor William Hobby. Preceded by other Texans working in Iraq's oil industry, the State of Texas mission developed new leads and pursued old opportunities for possible Texas inputs into poultry, dairies, farm management, extension services, university training and technical exchanges—in fields ranging from solar energy to molecular physics and laser optics.

Other American visitors to Iraq during the past several months have included a small trade mission from Tennessee and a steady flow of bankers and oil company executives, and university presidents and deans exploring or arranging educational exchanges with Iraqi universities and government agencies.

In October 1975 products of at least ten American firms were exhibited at the important Baghdad International Fair. Absence of diplomatic relations between Iraq and the United States made it impossible to mount an official American pavilion at the 1975 fair and this will also be the case again next month. But many American firms exhibited in 1975 through their overseas subsidiaries and it appears likely that 20 or more U.S. firms will do the same this year.

For the next cool season (October-April) a number of American promotional events are being discussed for Iraq. These include visits by trade missions from the States of Pennsylvania and Illinois and both a water resources trade mission and a technical sales seminar on electronic data processing equipment to be organized by the U.S. Department of Commerce. With proper preparation and high-level participation, these missions can be solid sales successes.

For the past nine years, since the June 1967 Arab-Israeli war, diplomatic relations between the United States and Iraq have remained severed. During the first six years (1967-1973) economic relations, as well, hung by a thin thread. All but the most urgently needed U.S. spare parts and medicines were banned until July 24, 1973.

Learning to work together

In the intervening three years, in the economic and trade spheres at least, American-Iraqi relations have proven increasingly amicable and American businessmen and Iraqi buyers and decision-makers are learning to work together once again with growing confidence and mutual respect. This year, the United States and Iraqi Governments reaffirmed the validity of a 1938 U.S.-Iraqi treaty of commerce and navigation which constitutes a legal umbrella for trade and economic activities. In May, the Government of Iraq removed the long-standing ban on landing and overflight by U.S.-registry aircraft. It is now clear that there are no significant "anti-American" laws or government policies in Iraq which limit the right of American firms to compete to meet the needs of Iraqi buyers and producers. Since Iraq is a nonaligned, Socialist country, the Iraq customer in almost all cases is either a ministry, a government agency or a government-controlled corporation.

There are problems, but they are faced by all of Iraq's trading partners and not just by the United States. Iraqi oil revenues have fallen since the December 1975 nationalization of Basra Petroleum Co. and the April 1976 cutoff of crude oil pipeline shipments through Syria and Lebanon. One published article estimates that oil production fell from a daily average of 2.2 million barrels per day in November 1975 to 1.4 million barrels in April. Since Iraq does not normally permit its spending goals to become far out of line with revenue projections, there has recently been an urgent rethinking of development priorities.

The long-deferred text of the 1976-80 Economic Development Plan has yet to be published. Some projects which were nearing the stage where they could be awarded or at least put up for tender have been deferred. There is growing evidence of dissatisfaction by Iraqi economic leaders with the fixed-price turnkey approach to major projects which has characterized Iraqi planning for the past four years. But it may be early 1977 before the impact of the cutback in oil production on planning and spending will be entirely clear.

Rethink your sales strategy

Americans and others who have sold in the past to Iraq through the services of a local commission agent must now rethink their sales strategy as a result of Iraqi Law Eight of January 1976, which severely limits the freedom of maneuver and initiative previously enjoyed by local commission agents. Effective July 1, all such agreements must be in writing and explicitly approved by Iraqi authorities or the American and other foreign principals face the prospect of being blacklisted. One goal of Law Eight is to limit the size of the large commissions which agents commonly received.

Another goal is to encourage foreign manufacturers to open their own sales offices in Baghdad, staffed by their own direct-hire personnel. All Iraqi Government buyers are encouraged to deal directly with manufacturers rather than through intermediaries—when and to the extent practical. It will probably be late 1976 before this new law "shakes down." For the moment, the situation is confused and most foreign principals are being very cautious about signing agency contracts under Law Eight. American businessmen should keep in touch with the Commerce Action Group for the Middle East in the Department of Commerce for developments concerning Law Eight (call 202-377-5767).

In 1975 West Germany and Japan appear to have accounted for a total of nearly 40 percent of Iraq's estimated $5 billion in imports. In that year U.S. exports to Iraq were worth $310 million, up only slightly from $285 million the year before. An analysis of the pattern of U.S. sales from 1973 to nearly 1976 makes it seem likely that U.S. exports to Iraq will remain above $300 million so long as the economy recovers from its currrent shortfall in oil revenues. Market conditions exist for annual U.S. sales ranging from a low of $300 million to as much as $1 billion.

But U.S. exports appear in recent months to have reached a plateau and only much greater attention to Iraq by American business will permit the United States to enjoy the 15-20 percent annual share of the market which appears possible. (The arrival in 1976 of six Boeing aircraft creates a one-time only export bulge). In 1975 Iraq became West Germany's most important Arab market. It was, however, only number six as an Arab market for American exports.

Unlike the situation in such booming markets as Iran and Saudi Arabia, American firms have not been notably successful in Iraq in winning or even trying to win their fair share of participation in major development and infrastructure propects. There have been successes, most notably the $1.1 billion Lummus-Thyssen joint venture for a turnkey petrochemicals project south of Basra. And U.S. consultancy and construction firms not active in Iraq since the 1950s and 1960s are now taking another hard look. These include Morrison-Knudsen, General Electric, TAMS and Harza Engineering.

Become active in design stage

In the remainder of 1976 and in 1977, if the American approach to the Iraqi market is to generate momentum for future growth, U.S. firms must make a conscious effort to become active in the design stage of major projects. Some major, turnkey projects (e.g., dams, integrated farms and ranches) have recently been awarded to Belgian, Yugoslav, Soviet and West German firms. These and projects yet to be signed offer considerable scope to American firms as subcontractors and suppliers of equipment and licensed technology.

A number of American firms have begun to explore possible cooperation wtih successful Eastern European contractors—particularly those from Yugoslavia, Poland and Hungary. Eastern European firms have been active in Iraq for years and have developed considerable expertise in dealing with Iraqi conditions (labor, shortage of raw materials, etc.). This expertise can greatly lessen the risks taken on by U.S. firms approaching major projects in Iraq for the first time.

Six years (1967-73) of deep freeze in U.S.-Iraqi economic and trading relations have given way to three years (1973-1976) of thaw, indeed, of growing warmth. Although U.S. exports to Iraq appear to be leveling off, this reflects sheer under-attention by American firms to Iraq rather than any obstacles the Government of Iraq places before American business. The agricultural sector of Iraq alone offers scope for $500 million per year in direct U.S. exports of food and equipment. Industry, infrastructure, electric power, transportation and other sectors also have the combined potential to take another $500 million in annual U.S. sales.

The Iraqi market exists and can be penetrated, but is not going to fly up on a magic carpet and pursue Americans. On the other hand, Americans who are willing to pursue the market, who are patient, and who learn to cooperate with local and international contractors, will probably find that the effort is cost-effective.

JAPAN'S RECOVERY HAS SOLID BASE; CONSUMERS, EXPORTERS LEAD THE WAY

Japan's long-awaited economic recovery is finally well under way, reports the U.S. Embassy in Tokyo. Led by exports, it also has a solid base in increased consumer spending.

Business profits have begun to recover, and the decline in investment in plant and equipment appears to have stopped. Industrial production, which had been rising for some months, took a solid step upwards in the first quarter of 1976, and shipments also rose, with a consequent decline in producers' inventories. Inflationary pressures have continued to subside; the increase in consumer prices remained within the 10 percent target for the fiscal year ending March 1976. The annual spring wage increases were also held under 10 percent.

Not all businesses are sharing equally in the recovery. Automobiles, sound equipment and business machines are doing particularly well; some others are lagging behind, however.

Government leaders appear content with the recovery pattern and do not expect to introduce major policy changes. A new five-year economic plan adopted by the Cabinet in May sets out generally agreed economic goals which include a scaled-down rate of growth, coupled with inflation control, an improvement in housing and welfare facilities, and a restructuring of Japanese industry toward areas of lower pollution, lower consumption of energy and materials, and higher technology.

The effects of Japan's economic recovery have not yet become apparent in the area of trade, but are expected to result in a substantial increase in imports during the course of the year. American exporters who give priority to Japan in their marketing plans and strategy should find themselves in good position to participate in the economic recovery; in a number of areas the comparative price levels in Japan and the United States will operate to U.S. advantage in the Japanese market.

Product areas where American goods are expected to benefit from improved competitiveness are marine and oceanographic equipment, automobile parts and equipment, hydraulic equipment and components, and mechanical handling equipment. Other promising product areas for exports to Japan are computers, peripherals, and data communication equipment; electronic components, pollution control and measuring equipment; analytical instruments; food processing and packaging equipment; test and measuring equipment for the electronics industry; biomedical equipment; avionics and ground support equipment; printing and graphic arts equipment; and building systems and materials.

Exhibitors at the U.S. Trade Center in five product areas over recent months —noise and vibration instrumentation equipment, computers, industrial process control instruments, nuclear instruments and accessories, and toys, games and hobbycrafts — have expressed optimism over their sales prospects in Japan.

The outlook for sales of U.S. consumer goods looks promising at this time. American products are increasingly price competitive, and the prestige-conscious Japanese consumer is often prepared to pay a premium for the "Made in U.S.A." label. Sales of U.S. consumer goods held up well during the recession, even while imports in most categories fell off.

Consumer confidence has begun to pick up during the first half of this year and is expected to accelerate further during the balance of the year as the economic recovery becomes firmly established. American suppliers should therefore benefit from increased consumer demand and replenishing of inventory by distributors and retailers.

The embassy and consulates organized nine groups totaling 574 buyers to visit American trade shows during first-half 1976—in the areas of housewares, hobby crafts, home improvement products, do-it-yourself products for the home, sporting goods and prepared foods. Final reports have not been received from all these groups, but seven of them reported combined spot and one-year projected purchases of $15.9 million.

Total U.S. agricultural exports to Japan in the October 1975-March 1976 period declined 9.6 percent in value compared with a year earlier, due in large part to a decline in U.S. export prices of wheat, soybeans and feed grains during the period. Tobacco exports to Japan have shown significant increases, and the outlook for U.S. agricultural exports in the next six months is somewhat brighter.

Demand for livestock products is increasing, as reflected in substantially higher imports of pork, beef and veal; the rapidly expanding Japanese livestock industry will also require larger amounts of feed-stuffs to continue expansion.

Chemical problems continue to hamper citrus shipments, and U.S. cotton exports to Japan will be sharply lower than in recent years. Mid-year changes in administered prices of wheat and rice may make wheat products more expensive relative to rice, with some possible effects on U.S. shipments of wheat to Japan.

Investment developments

The Japanese Government during the six months ending March 1976 liberalized restrictions on foreign investments in three industries—information processing (including computer software), manufacture of fruit juices or fruit beverages, and manufacture of photo-sensitized materials. This completes the government's scheduled liberalization of direct investments.

Four industries have been indefinitely excluded from investment liberalization: agriculture, forestry and fishing; petroleum and petroleum products; leather products; and mining. Foreign direct investments will also continue to be restricted in transportation, utilities and banking.

In general, the long economic recession has had a negative impact on investment decisions by foreign as well as domestic investors in Japan. Consequently, new direct foreign investments during the past 30 months have lagged slightly below the earlier periods even though the government has implemented its scheduled investment liberalization policy.

Japan's overseas investments by the end of March 1975 had reached $12.7 billion, 33 percent of which was in manufacturing, 28 percent in mining, and 20 percent in services; Japan's cumulative overseas investment by the end of March 1976 is estimated at $16 billion. Asia is the leading recipient of cumulative Japanese overseas investment, with 25 percent of the total.

The cumulative amount of Japanese investment in the United States (about 20 percent of the total) is still larger than in any other country. Interest in possible investment in the United States is picking up as stateside production costs continue to decline in comparison with other countries. Volkswagen's recent decision to locate production facilities in the United States attracted substantial attention in Japan.

Officials expect Japan's overseas investment to reach $93.5 billion by the end of 1985, 36 percent of it in manufacturing and 32 percent in mining.

Calendar For World Traders

Sept. 28—Houston—Int'l Offshore Marketing Conference, Marriott Motel. Call 713-522-7871.

Sept. 29—Dearborn, Mich.—Selling and Investment seminar, Fairlane Manor. Sponsors: World Trade Club of Detroit, District Export Council. For information, Geoffrey Walser, 313-226-3650.

Sept. 29—Boston—Workshop on Int'l Regulation of Multinational Business. Call 617-542-0426.

Sept. 30—Boston—Int'l Business Center of New England's Trade Winds Roundtable and dinner meeting on Exporting and Importing, Valle's Steak House. Call 617-542-0426.

Oct. 3-5—Bryce Mountain, Va.—Seminar on Marketing Telecommunications to the Middle East. Sponsor: Institute of Technological Assessments. For information, 703-536-2144.

Oct. 3-8—Pittsburgh—First Congress of International Technology, Hilton. Organized by International Technology Institute. Call 412-795-5300.

Oct. 4—Tulsa—Seminar on Doing Business in Venezuela, Hilton Inn. Sponsors: Tulsa Chamber of Commerce, World Trade Assn., Oklahoma City International Club. Keynote speaker: H. Darwin Swett, Commercial Attache, U.S. Embassy, Caracas. For information, Lance Bohanrron, 918-585-1201.

Oct. 5—New York—FCIB Roundtable Conference on International Finance, Credit, Collection and Exchange Problems, Summit Hotel.

Oct. 5—Little Rock, Ark.—Seminar on Doing Business in Venezuela. Stephen Hall of Commerce's Office of International Marketing will speak.

Oct. 6—Murfreesboro, Tenn.—Seminar on International Business Opportunities in Latin America, Middle Tennessee State University. Thomas K. Brewer of Commerce's Office of International Marketing will speak.

Oct. 6—New York—Seminar on Export Credit Considerations, International Executives Assn.

Oct. 6—Dallas—Seminar on Doing Business in Venezuela. Stephen Hall of Commerce's Office of International Marketing will speak. For information, Richard Maxwell, 214-651-1020.

Oct. 6-7—Birmingham—Ninth Annual International Business Forum, Kahler Plaza. Sponsors: Commerce District Office, University of Alabama, World Trade Assn., District Export Council. Peter Hale, Director of Commerce Action Group for Near East, will speak.

Oct. 6-7—Chicago—Seminar on Principles and Techniques in Exporting, Holiday Inn/City Centre. Moderator: Anthony J. Buchar, Dir., Export Trade Development, C. S. Greene & Co., Inc.; former Dir., Chicago Commerce District Office.

Oct. 7—New York—International Industrial Marketing Club meeting, The Chemists Club.

Oct. 7—Memphis—Mid-South Exporters Roundtable dinner meeting, Monte's Restaurant.

Oct. 7 — Houston — Seminar on Doing Business in Venezuela. Stephen Hall of Commerce's Office of International Marketing will speak.

Oct. 11-12—New York—Briefing on The Andean Common Market, American Management Associations. Speakers include Thomas K. Brewer of Commerce's Office of International Marketing.

Oct. 13—New York—Seminar on Assistance from the U.S. Department of Commerce, International Executives Assn.

Oct. 13—New York—FCIB Book Exporters Credit Group luncheon meeting, Summit Hotel.

Oct. 13-15—New York—Seminar on Opportunities in Brazil, American Management Associations.

Oct. 13-15—Ann Arbor—Seminar on Increasing Profits in Export Markets, University of Michigan Graduate School of Business Administration. For information, 313-763-1387.

Oct. 14—New York—Overseas Automotive Club luncheon meeting, Summit Hotel.

Oct. 14-15—New York—American Management Associations briefing on Nigeria. Keynote speaker: William E. Schaufele, Asst. Secretary of State for African Affairs. Other speakers include Sally Kyle Miller of Commerce's Office of International Marketing and Bonnie Henderson of the Overseas Private Investment Corp.

Oct. 19—Memphis—World Trade Club meeting, Southwestern University.

Oct. 20—Louisville—Kentuckiana World Commerce Council meeting, Holiday Inn Brownsboro Northeast.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about licensing and joint venture proposals, opportunities to sell to foreign enterprises and appoint agents, and visits by foreign buyers and officials.

Licensing, Investment Abroad

GREECE—Group of investors is interested in joint venture or association with U.S. based firm for development and manufacture of goods requiring utilization of local raw materials and with potential marketability in the EEC, Arabic and African markets. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Dept. of Commerce, Washington, D.C. 20230. P-76748.

UNITED KINGDOM—Manufacturer of **mechanical equipment for sewage treatment, industrial waste water treatment, and water treatment by reverse osmosis,** seeks licensing agreements for manufacture of similar items. All types of effluent plant treatment equipment will be considered. Established 1830, employs 470. Markets woridwide. Frank Sanderson, Chmn. & Mng. Dir., Ames Crosta Ltd., Dawson St., Heywood, Lancashire OL10 4NF, England. P-76737.

1500 — SAUDI ARABIA — Seeks joint ventures with experienced U.S. firms to engage in **electrical engineering and contracting** to include installation of central cooling and heating systems and plumbing and sewage disposal for apartments, airports, hotels and residences. Experience in installation, maintenance and operation of electrical substations would also be helpful. It is anticipated that venture would be established with around $300,000 in equity capital. Theodore Stolber, advisor, Int'l Div., Finance Group, National Commercial Bank, P.O. Box 3555, Jidda. Telex, 40102; phone, 23794, 23122. P76732. OPIC.

1542—ECUADOR—General building contractor seeks U.S. partner experienced in **hospital construction and equipping.** Interested in participating in several Government of Ecuador tenders involving building and equipping five hospitals. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Dept. of Commerce, Washington, D.C. 20230. P-76749. OPIC.

2075—MEXICO — Firm seeks technical know-how to produce **soybean proteins** for use as extenders in milk, creams, meat and to supply nutritional value to soft drinks. Lic. Agustin Salvat, Jr., Equipo Tecpan, S.A., Miguel Angel de Quevedo #320, Mexico 21, D.F. Telephone, 905-554-2915. P-76759.

2400—PAUPA NEW GUINEA — Seeks companies to participate in **development of Vanimo timber area,** said to be largest forestry concession in PNG. Firms experienced in development of large scale forestry projects and prepared to undertake feasibility study are invited to submit proposals. Write: Exec. Dir., National Investment and Development Authority, P.O. Box 50553, Boroko, Papua New Guinea. Further details available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Dept. of Commerce, Washington, D.C. 20230. P-76729.

2800—JAPAN—Leading manufacturer of water and sewage treatment equipment in Japan is seeking unique, advanced technologies for **sewage and other sludge treatment and for extracting gas from solid industrial wastes for fuel purposes.** American partner may have no exclusive arrangements covering same line with other Japanese firms, and must have abundant experience in this field. This Tokyo based firm has sales offices in seven major cities in Japan, including Osaka. Manufacturing plant is located in Tokyo. Employees, approximately 1,200, of which nearly half are technicians. Kikuo Nasu, Dep. Mgr., Sales Headquarters, Ebara-Infilco Co., Ltd., Palaceside Bldg., 1-1, Hitotsubashi 1-chome, Chiyoda-ku, Tokyo 100. P-76738.

2800—MEXICO—Seeks joint venture and/or licensing agreement to establish plant to produce **organic or inorganic chemical products.** Foreign partner would be limited to minority share. Firm is very large, 100 percent Mexican owned wholesaler and retailer of wide range of chemicals. Wishes to diversify by manufacturing in Mexico some of products it now distributes, obtained from both Mexican and foreign sources. Company has five branches throughout Mexico and will consider any location in country for proposed plant. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Dept. of Commerce, Washington, D.C. 20230. WTDR. P-76755.

2821—MEXICO—Seeks U.S. technology for manufacture of **epoxy resins and polyurethane.** Firm produces synthetic resins and formaldehyde and imports several other chemical products. It reports yearly sales volume of slightly over $3 million. Ing. Miguel Garcia Maldonado, Industrial Quimica Delgar, S.A., Aptdo. Postal 121, San Luis Potosi, SLP. Telephone, city code 481-27130. P-76756. WTDR.

2834, 2844, 2899—UNITED KINGDOM—Seeks to manufacture and distribute **unique toiletries, semi-ethicals and industrial chemicals** on reciprocal basis. Products to be considered must have nationwide distribution in U.S. and proven growth potential. Firm is a leading brand name in U.K. toiletries and exports its products worldwide. Has 1,500 employees, sales force of 100. H. T. Langdon, Sec., Cussons Group Ltd., Kersal Vale, Manchester M7 0GL, England. P-76757.

2879—PAKISTAN — Seeks joint venture arrangement with U.S. manufacturer of agricultural chemicals who can provide technical know-how for **formulation and processing of pesticides, weed killers, fungicides** and related products and who woud be willing to grant Pakistani partner agency representation for U.S. firm's products in Pakistan. The Government

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate or make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

owned Pakistani company manufactures fullers earth and calcium carbonate, and is Government approved pesticides formulator. Present working capital, approximately $75,000, and firm is able to put up additional $50,000 at any time. Consumption of pesticides in Pakistan was valued at $55.6 million for fiscal years 1971 through 1974, and $36 million of this was imported. Dr. Mushtaq Ahmad, Mng. Dir., National Chemicals Pakistan Ltd., Kot Lakhpat, Lahore. Telephone, 359058 and 65981; cable, DURAPLAST. WTDR. P-76758. OPIC.

Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230, or from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

2891—TOGO—Seeks joint venture partner and source of technology to produce **neoprene glue** for sale to end users in Europe, Asia, Africa and Middle East. Factory is scheduled to produce 2,900 tons of glue for first three years, and will be located in free zone of Lome. There will be tax holiday for 5 years, no duty on exports, and machinery imported for use is duty free. Firm has been assured loan of CFA 176 million ($760,000) from Banque Togolaise de Developement of which CFA 65 million ($280,000) is USAID money. Ruben Adzomada, Pres., Astra Chemical Industries, 18 Avenue De Calais, BP 3371, Lome. Correspondence may be in French or English. P-76753. OPIC.

3211—MEXICO—Firm seeks joint venture for manufacture of **glass molded products.** Plant facilities will be set up in Northern Mexican State. Design and technology has been obtained. Sr. Antonio Trejo, Aptdo. Postal 15, Durango, Durango. Telephone, 181-107-73-Durango, or 905-528-6561-Mexico. P-76739.

3361, 3079—BELGIUM — Seeks to sell business in Carnieres near Charleroi which manufactures **metal colanders, kitchen utensils** and **ordnance parts such as rocket fins.** It also makes **plastic** items including **cheese graters, lazy susans, spice racks, medical accessories and ordnance parts such as grenades, fins and grenade boxes.** Business includes 480,000 sq. ft of land, and plant valued at $1.3 million including buildings, equipment and inventory. There are 50 production workers and 10 staff and clerical employees. Sales in 1974-75, $700,000; for 9 months in 1975-76, $760,000. Emile Romain, Gen. Mgr., Etablissements Simon & Denis, S.A., Avenue du Centenaire, 5, 6508 Carnieres (Hainaut). P-76733.

3448, 3523—UNITED KINGDOM — One of major agricultural cooperatives wishes to manufacture under license from American firm **metal or fiberglass bulk grain and feed storage bins.** Cooperative is also interested in prefabricated **portable metal buildings for grain storage and general farm service.** Established 1906, organization has 270 employees and 31 salesmen. Manufactures compound feedingstuffs, fertilizers, ancillary agricultural products. M. S. Horsfall, Tech. Mgr., North Eastern Farmers Ltd., Bannermill, Aberdeen AB9 2QT, Scotland. P-76750.

3451 — SWITZERLAND — Producer of fuses and other ordnance items seeks U.S. manufacturer of screw machine parts to **make rotors for fuses.** American company would produce rotors to specifications and drawings supplied by Swiss concern and ship finished product to Switzerland. Mr. Riesen, Degen & Co. AG, 4435 Niederdorf. Telex, 62 512 Degen CH; telephone, 061/978282. P-76740.

3523—UNITED KINGDOM — Company seeks licencing arrangements with manufacturers of **agricultural machinery and farm mechanical handling equipment, including tractor-drawn or self-powered implements in retail range of $1,000 to $20,000.** Firm currently manufactures agricultural loaders and implements, grey iron castings, forgings, stampings, open steel flooring and valves for petrochemical and general industry. Established 1946, company has 1,200 employees and markets throughout U.K .and Europe. H. Wilson, Group Mktg. Dir., MIL (Export Marketing) Ltd., Heath Town Works, Wolverhampton WY10 0QD, England. P76751.

3535—JAPAN—License to manufacture **dense phase, low velocity pneumatic conveying systems for handling powdered and/or pulverized products** is sought by a leading Japanese company. Firm is major manufacturer of spindles and rings for textile machines. Also produces pollution control and oil hydraulic equipment. Operates three plants, employs 965. Sales in 1975, $53 million. O. Inoh, Mgr. & Chief Eng., R&D Dept., Nippon Spindle Mfg. Co., Ltd., 2-1 Nishi-Soke, Shioe, Amagasaki City, Hyogo Prefecture 661. Cable, SPINDLE AMAGASAKI; telex, 524-2907 SPINDL J. P-76752.

3551—UNITED KINGDOM—Firm seeks licensing agreements for manufacture of **flexible packaging systems and materials.** Presently manufactures flexible packaging, heat transfer paper and dripping containers. Company employs 900, established 1948. R. C. Newbury, Mardon Flexible Packaging Ltd., P.O. Box 3, Midsomer Norton, Bath BA3 4AA, England. P-76731.

3559—SWITZERLAND — Manufacturer of **air pollution control equipment** seeks licenses. Product interests include **advanced, industrial and commercial type dust collecting and filtering systems and special industrial filters for installation on large chimneys to eliminate polluting chemicals.** Also of interest are **devices for odor control and for use in manufacturing facilities to control toxics and other gases.** Firm presently produces oil mist collectors under license by an American company. Swiss concern calls on most potential end users in Europe and could sell additional equipment to complete its product line. Francois Alesch, IPTC-Industrial Products Ltd., P.O. Box 188, 8024 Zurich. P-76741.

3567 — SWITZERLAND — Established producer of industrial heating, air conditioning and drying systems seeks licenses. Wants to manufacture **industrial stoves and ovens for use in such operations as drying, baking enameling and other surface treatments, using oils, electricity or preferably microwave and other new heating techniques.** Products should be applicable for continuous in line operation, or treatment of batches or single pieces. Swiss firm can handle application engineering and design of complete systems. W. Gasser, FAG Feuerungsbau AG, P.O. Box 8048, Zurich. P-76742.

3569, 3949—UNITED KINGDOM — Firm seeks licensing or joint venture arrangement for production of **diving systems outfit items, diving equipment and subsea technology equipment.** Company manufactures and designs dive systems, recompression chambers, diver training facilities, hyperbaric units and subsea equipment. Bruce Molland, Mng. Dir., Seaforth Perry, c/o Barry Henry & Cook, West North St., Aberdeen, Scotland. P-76730.

3585—AUSTRIA — Seeks license to produce **wind powered electric generators.** Firm presently manufactures hydro-electric power stations, gears and water clarification plants. Employs 50. Ing. Erich Koessler, Maschinenfabrik Alois Koessler, A-3151 St. Georgen. P-76734.

3621 — UNITED KINGDOM — Seeks license to manufacture **electrical inverters,** outputs between 10 and 50 KVA, with single- and three-phase applications at 240 and 450 V respectively. Would be incorporated in no break power supply systems for telecommunications and other applications as an alternative to present rotary sets. Firm currently produces no break power supplies, motor alternator sets, control and switch gear. Employs 50, annual sales $1.2 million. G. R. Dunn, Mng. Dir., Arcontrol Ltd., Borough Green, Sevenoaks, Kent TN15 8PD, England. P-76754.

3631—MEXICO—Newly formed group of local investors seek point ventures to produce **microwave ovens, dishwashers, trash compactors, garbage disposal units and hot water dispensers.** Want technical know-how in return for management and fixed fee. Partners are former high Mexican officials and are prepared to visit U.S. for talks with interested firms. Lic. Agustin Salvat, Jr., Equipo Tecpan, S.A., Miguel Angel De Quevedo 320, Mexico 21, D.F. Telephone, 905-2915. P-76735.

3679—FRANCE—Seeks license to manufacture **electronic alarm systems.** Firm specializes in electronic products and markets all types of detection systems. Also installs, repairs and maintains these products. Represents several American companies. C. Measson, Directeur General Adjoint, Anciens Etablissements Sombardier & Sapor, 30 Cours Gouffe, 13006 Marseilles. P-76744.

3679 — UNITED KINGDOM — Seeks license to manufacture **electronic and electro-mechanical equipment for hazardous areas.** Company presently makes electronic control equipment for use in petroleum retailing. Employs 50; annual sales, $1 million. B. M. Jones, Mktg. Eng., Llewellyn Lewis Ltd., Allens Lane, Hamworthy, Poole, Dorset, England. P76743.

3728—FRANCE—Seeks licensing agreements for manufacture of any **aircraft parts, accessories or equipment.** Established 1949, employs 700. Mr. Mattei, Gen. Mgr., Ovions Hurel Dubois, 39-43, rue Grange Dame Rose, B.P. 6, 92360 Meudon La Foret. P-76736.

7011—NEPAL — Department of Tourism is seeking private foreign investment to develop **hotel and passenger cable car facility** on Shivpuri mountain eight miles north of Kathmandu. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Dept. of Commerce, Washington, D.C. 20230. P-76747. OPIC.

7011 SAUDI ARABIA—Firm seeks U.S. firm to establish **first-class hotel** on new Seaside Road in Jidda. Site for hotel is about 6,200 sq. meters. U.S. partner would perform designing, planning and construction and manage hotel on completion. Al-Hariri Establishment, P.O. Box 3190, Jidda. Cable, HARIRICO; telephone, 23984. P-76745. OPIC.

7011—SWEDEN — City of Goteborg on West Coast is encouraging development of excellent **hotel site** in center of town. Site covers approximately 17,000 sq. meters. U.S. investors sought. Sven Lindquist AB, Karl Gustafsqatan 19, S-41125 Goteborg. Telephone, 031/13 0906. P-76746.

Licensing In U.S.

For additional information on these opportunities to manufacture foreign firms' products in the United States under a licensing agreement or in partnership, write the Domestic Investment Services Staff, Bureau of International Commerce, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-5361), referring to the appropriate file number.

FRANCE — Firm is seeking licensing agreement or joint-venture with U.S. firm involved in plastic processing or molding to manufacture large size **plastic components for industrial use** in U.S. French firm is dealer and manufacturer in industrial waste, metal textile, plastic materials, and plastic processor. File 3143

FRANCE—Firm wishes to find partner in U.S. to manufacture **compounds for forming bodies for generating heat from radiant luminous energy.** U.S. patent has been applied for in this material as well as for methods for preparation and applications. Material is used to produce solar captors which are said to be "very aesthetic". Material can be easily used in architecture and this possibility is such that it has obtained award of Architects Association at first solar energy exhibition in France. Firm feels that this material could be used particularly in manufacturing heating gas systems for swimming pools with solar energy. Process is used to heat any type of building—houses, etc.—as well as water tanks. File 3144

GERMANY — Well-established German firm wants to offer for production under license in U.S. its equipment which is widely used as **automatic paint and lacquer systems** for all kinds of mass produced parts. Includes industrial spraying annealing, lacquering and drying equipment consisting of various systems such as internal lacquer spray systems, automatic internal tube lacquering machines, fully automatic plant for annealing, internal lacquering and drying of tubes, atuomatic type circular and chain type lacquering machines; automatic lacquering and drying plants; internal lacquering plants for cans; and complete lines for all surface treatments, such as degreasing, powder coating or lacquering, drying or stoving, and cooling. File 3145

GERMANY — A leading manufacturing plant of solder wire and soft solder wire is interested in establishing joint venture in U.S. or acquiring existing U.S. firm of about 150 employees in **soldering** industry. File 3146

GERMANY — Manufacturer/exporter of woodworking machinery wishes to establish licensing agreement with manufacturer for its products in U.S. Products include: **double end tenoners**—two types; **automatic edge processing machines; automatic and computerized panel cutting machines; automatic panel sizing and dimensions saws.** Firm is also interested in establishing joint venture agreement with U.S. firm in same production field. File 3147

GERMANY—Firm wishes to locate U.S. licensee for manufacture of its **folding tube.** A quadrangular tube, it can be produced in one working cycle, either from spiral or from parallel tube wincing machine and shaped by a forming machine. File 3148

GERMANY — Manufacturer, distributor, exporter of cable and wire installations of flame-resistant hard PVC, is interested in locating a licensee in U.S. for manufacture in States of several types of their **trunking and related equipment.** German firm's program includes various types of trunking and accessories such as plants, strips, sockets, dividing strips. File 3149

GERMANY — Firm wants to offer for license its **peripheral computer equipment** consisting of wide range of OEM modules, such as cartridge tape transport CD-30 M; its microprocessor family; fast microprogrammable controller; credit card reader; 9 needle matrix print head; matrix printed mechanism; tractor form feed; automated ski lift system constructed from own modules; automated toll system; and its terminal systems. File 3150

GERMANY—Firm wishes to offer for production in U.S. under license its **modular pool system** that offers variety of advantages. Construction: swimming pool may be enclosed completely or as many sections as required can be removed. Material: of fiberglass, system is robust, durable and translucent and unaffected by corrosive chlorinated atmosphere. Design: low silhouette and attractive shape for economy, pool water is heated by sun's rays reducing energy bill. German firm is looking for licensees with experience in working with fiberglass or polyester for following regional markets—New England, Middle East, South East, Great Lakes, Plains and Southwest. Firm claims that over 4,000 of these pool enclosures have been sold worldwide in the last five years. File 3151

ITALY—Manufacturer of lighting signals seeks licensing agreement with his company to manufacture **light emitting diodes.** File 3152

NEW ZEALAND—Manufacturer would like to get in touch with American manufacturer in producing **solar water heaters** for use as domestic and commercial hot water and domestic and commercial heating systems. File 3153

SWITZERLAND—Manufacturer offers to U.S. manufacturers of tools, rescue systems, sporting goods a novel **rescue and rope-down device** which is patented in most countries. The device, simple without detached or moving parts, is fixed on suspended polyester rope and basically serves to control speed of descent. Control is fully applied by fingertip pressure. System can also be used to evacuate injured persons or persons who have lost consciousness. Does not require any servicing and can be installed in seconds. Maximum load is one metric ton (1,000 kilos). Firm is very old and reputation good. File 3154

SWITZERLAND — Licensing opportunity is offered by firm to U.S. firms who make pressed fiberglass polyester reinforced plumbing fixtures. Products, partly made with plastic molds and dies by hand, comprise variety of **wash sinks and troughs,** as well as sturdy **letterbox** used by postal services on outer walls. Swiss firm may also be interested in a cross-licensing arrangement for suitable plastic fabricators. File 3155

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate or make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such receipt to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Division, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest are indicated by the five-digit numbers and commodity classifications which are from the Standard Industrial Classification (SIC) Manual and the Numerical List of Manufactured Products, 1972 Census of Manufactures.

U.S. firms should be aware that the listing in Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Export Administration Act of 1969. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

The mark (•) indicates that this trade opportunity is a request for bids by a foreign government agency.

Direct Sales

Fisheries

0919XXX—JAPAN—Seashells, especially interested in "trocas" shell. Est. annual purchase $10,000. Will sell item to button mfrs. throughout Japan. Specializes in seashells & seafoods. Annual sales $700,000. Ref.: Bank of Tokyo Semba Br., Osaka. Reply to—T. Teraoka, Mgr., Inana Shoten, Daido 4-Chome, Tennoji-ku, Osaka 543. Cable: Fkinana Osaka; tel: 06-779-7490.

Broad woven fabric mills, wool

• 22310 — GERMANY — Government tender for tricot (100 percent pure shorn wool), 15,000 meters light grey, 15,000 meters dark grey and 16,000 meters bluish grey; pearl gabardine (pique), 45 percent shorn wool, 55 percent trade-mark polyester, 15,000 meters dark grey and 18,000 meters bluish grey. Samples of each cloth should be submitted separately from bid before Nov. 8, which is opening day for bids. Tender documents and samples can be obtained upon written request from Kliederkasse Fuer Die Bundeswehr, 5406 Koblenz, Casinostrasse 26-30, P.O.Box 7350, Bonn. Language of correspondence: German.

Men's, boys' furnishings

• 23210—GERMANY — Procurement No. 1: 24,000 service shirts, polyester/cotton, bluish-grey, short sleeves. Procurement No. 2: 10,000 service shirts, polyester/cotton, white, short sleeves. Procurement No. 3: 30,000 service shirts, polyester/cotton, bluish grey, three different sizes of sleeves. Opening of bids for Procurement Nos. 1 and 2 is Oct. 15. Opening of bids for Procurement No. 3 is Nov. 8. Specifications and samples of each shirt and fabric available upon written request from Kleiderkasse Fuer Die Bundeswehr, Casinostrasse 26-30, P.O.Box 7350, 5406 Koblenz, Bonn. Language of correspondence: German.

Periodicals: publishing, publishing & printing

2721543—JAPAN — Periodicals of women's and girls' apparel fashion designs; est. annual purchase $20,000. Importer/distr. of fashion magazines & other publications. Capital $13,000. 1975 sales $800,000. Ref. Sanwa Bank Nipponichi Branch, Osaka. Reply to—Ms. Etsuko Iwasaki, Mgr., Kakuryo Shoji Co., Ltd., 39 Higashino-Cho, Taihoji-cho Minami-ku, Osaka 541. Tel. 06-252-5250.

Drugs

• 28330—SRI LANKA — Ministry of Health wishes price offers on supply of radiopaque contrast media. Tender No. C/CMS 2038/77. Closing date Oct. 26. Documents available from U.S. Department of Commerce, Room 2007, Washington, D.C. 20230; 202-377-2239.

Glass, glassware

3229122 — SWEDEN — Heat-resistant, machine-made restaurant & household glass stemware. Co. estab. 1912. Has annual turnover of about skr 17 million. According to local credit sources it is finan. sound & has met its business obligations satisfactorily. Recommended trade contact. Direct sale for resale & agency. Reply to—Christer Tell, Thorsten Brunius & Co., Box 2564, S-403 17 Goteborg 2. Cable, BRUNIUS; Telex, 20680; Tel. 031/17 05 60.

Structural clay products

32500, 33200, 34300, 36300—KUWAIT—Abdulmalek Al-Duaij, Gen. Mgr., Sanitary Ware Co., P.O. Box 21999 Safat, Kuwait, Cable SANIWARE is interested in contacting manufacturers of following products: bathroom sets, bathroom fixtures, wall and floor tiles, mosaic tiles, water heaters and filters, brass bibbs and faucets, cast iron manhole covers, galvanized pipes and fittings, cast iron pipes and fittings, fireclay and steel sinks, cast iron and enameled steel bathtubs and kitchen furniture. Company is 25 percent owned by Govt. of Kuwait with remaining shares held privately. Company was established in June 1976 with authorized capital of 6.75 million Kuwaiti Dinars (1 KD=$3.50). Items mentioned above will be in constant demand with approx. 40,000 units of public housing to be built in coming eight to ten years plus continued growth of private sector housing. U.S. firms can submit catalogs on full line of products ranging from lower priced items to medium and higher priced lines, and also more expensive, "luxury" items such as chromium plated and onyx bathroom fixtures, to address above.

Steel mill products

• 33100 — KOREA — Various sizes and quantities of steel grit. Tender No. KFX-76229-PIII; bid deadline Oct. 19. Office of Supply, Government of Republic of Korea, Seoul. Tender documents available from Iron & Steel Program, BDC, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-2438.

Rolling, drawing, extruding of nonferrous metals

• 33500—GREECE—211,500 meters of coaxial cable. Tender No. 7174; bid deadline Oct. 26. Hellenic Telecommunications Organization S.A., Procurement Committee, 6 Klissovis St., Athens. Tender documents available free at above address.

• 33500—URUGUAY — 8 million meters electric wire; several types for different purposes, aluminum, copper single or stranded, insulated or bare. Tender No. 7490; bid deadline Oct. 19. Administracion Nacional de Usinas y Trasmisiones Electricas, Palacio de la Luz, Paraguay 2431, Piso 8, Montevideo. Tender documents available at above address. Interested parties must enter bids through local representatives.

• 33500—URUGUAY — 1,495,000 meters telephone wire, 0.4 mm to 1.2 mm diameter, copper, plastic insulated. Tender No. 010; bid deadline extended to Nov. 16. Administracion Nacional de Telecomunicaciones (Antel), Palacio de la Luz, Paraguay 2431, Piso 9, Montevideo. Tender documents available at above address. Interested parties must enter bids through local representatives.

Fabricated structural metal products

• 34400, 35400, 37100 — INDONESIA — Dept. of Manpower, Transmigration and Cooperatives, invites bids for purchase of following equipment for East Java Agriculture Credit Project under Asian Development Bank Loan No. 197 INO (SF): 20 paddy storage silos and two mobile workshop trucks. Interested bidders must obtain bid documents for Rupiah 20,000 (approx. $48.19) per set from Project Development Office, Directorate General of Cooperatives, Jalan Let.Jend. Haryono M.T., Tromol POS 384, Jakarta Selatan. U.S. listed in tender announcement as eligible supplier. Bid deadline Nov. 29.

General industrial machinery

• 35600—EGYPT — 25 gas-driven, 2 HP pumps. Capacity of pump 54 gallons per minute at 5-foot lift. 10-pound discharge pressure. Self-priming. Suction lift limit 20 feet. Construction: cast aluminum alloy. 13 x 16 x 14¾ inch high. Carrying handle: rails per permanent mounting. 1½ inch suction and discharge. Engine: direct drive, 4-cycle. 3600 RPM. Recoil starter. Price quotations requested c.i.f. Alexandria. Catalogs required. This is preliminary order to be followed by another of 50,000 units. Tender number and bid deadline not specified. Write or cable M. Joseph Bekhit, Youssef Bekhit & Co., 3 Sidi Mitwally St., Alexandria.

• **35600 — PAKISTAN** — 18 submersible water well pumping units and 35 each vertical turbine lineshaft pumping units, both 4 cubic feet per second. 12 natural gas engines for well pumping units. 12 10-inch size and 5 each 24-inch size main line water consumption registering meters. 92 sluice, gate and check valves of 10- and 24-inch sizes. Total value of tender approximately $1,000,000. Financing through IDA credit; offers will be accepted only from member countries of IDA and Switzerland. Director, Procurement and Stores, Lahore Development Authority (LDA/WASA), 4A Gulberg V, Lahore. Tender No. WASA/W5/002; bid deadline Nov. 1. Bid documents available from above address for $20 per set.

Service industry machinery

• **35892—BANGLADESH**—Supply of water and sewage treatment equipment consisting of chlorination machines, cylinders and including equipment for delivering chlorine gas and with compensating equipment for maintaining uniform flow of chlorine gas under varying pressures. Also supply of rectangular and circular flat back sluice gates for sewage treatment plant and pumping stations. Bid deadline Nov. 2. Ref.: Contract No. DW17-76. World Bank financing. Prescribed tender form and detailed specs., terms, and conditions available from Chairman, Dacca Water Supply and Sewerage Authority, Rupali Sudan, 156/157 Motijheel Commercial Area, Dacca 2. Submit sealed bids to above address. Cost of tenders is TK 500 (about U.S. $33.06) per set. Tender fee not refundable.

Electric transmission, distribution equipment

• **36130—INDIA**—Deputy Chief Engineer (Stores & Purchase), West Bengal State Electricity Board, 13 Camac St., 4th Floor, Calcutta 700017, has issued tender no. IDA-IV/WBSEB/6 for supply of loose protection relays and tariff metering equipment. Bid deadline Dec. 6. Copy of specifications available from above address for Rs. 100 (US $11.33) per copy.

Communications equipment

• **36610 — COLOMBIA** — Dr. Benjamin Cubillos, Jefe Seccion De Suministros, Empresa Nacional De Telecomunicaciones (TELCOM), Calle 23, No. 13-49, Piso 6, Bogota, has issued tender no. 076/76 for supply of 11 telephone exchanges. Bid deadline Dec. 6. Copy of specifications available from above address for 15,000 pesos (US $425) for first copy and 5,000 pesos (US $142) each additional copy.

• **36620—TURKEY** — PTT Genel Mudurlugu, Maleme Dairesi Baskanligi Ruzgarli Sokak, Catal Han, Ulus, Ankara, has issued tender for supply, installation, line-up and turnkey delivery of complete 1800 TN channel radio relay system plus CCIR system and 625-line color and black and white TV relay system for 16 stations in southeast Turkey. Bid deadline Nov. 25. Copy of specifications available in English from Modern Translation Bureau, Koranfil Sokak 36/7, Yenisehir, Ankara, for US $70.

• **36620—TURKEY**—TRT Kurumu Genel Mudurlugu, Genel Evrak Mudurlugu, Nevzat Tandogan Caddesi No. 2, Kavaklidere, Ankara, has issued tender for supply of two radio broadcast stations, with 500 KW shortwave broadcast transmitters, 5.9-19 MHZ band, dummy loads, cooling equipment, control consoles, line and program input equipment, monitoring equipment, power supply, internal feeders and spares. Bid deadline Oct. 27. Copy of specifications available from Modern Translation Bureau, Karanfil Sokak 36/7, Yenisehir, Ankara, for US $50.

• **36620—MALAYSIA** — Department of Broadcasting, Angkasapuri, Bukit Putra, Kuala Lumpur, has issued tender for supply of 2 television broadcast vans, fitted with 120 KVA mobile diesel generator, 3 color TV cameras, one portable camera, monitoring and test equipment and accessories. Bid deadline Oct. 31. Copy of specifications available for M $50 (US $1.00 equals approx. M $2.50).

• **36610 — ETHIOPIA** — Beyene Desta, Gen. Mgr., Telecommunications Service of Ethiopia, CPO Box 1047, Addis Ababa, has issued Tender No. 21/76 for supply of 55 manual telephone exchanges of various types. Bid deadline, Nov. 25. Copy of specifications available free of charge from above address.

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• **36620 — ETHIOPIA** — Beyene Desya, Gen. Mgr., Telecommunications Service of Ethiopia, P.O. Box 1047, Addis Ababa, has issued Tender No. 22/76 for supply of 40-unit two-way, fixed station, single channel, solid state VHF radio link system, capable of good quality telephone communications by line-of-sight up to 100 km., or near line-of-sight to 60 km. System should be small, modern, highly reliable and designed to consume minimum power. Bid deadline, Nov. 29. Copy of specifications available from above address.

3662198 — CHILE — Electronic cryptographic equip. compatible with teleprinters & Morse, 220 & 110 V & 50-60 HZ.. Total value investment $1 million. Payment will be through Chilean Navy's Mission in Washington. Reply to—Cdte. Pedro Chiminelli F., Capitan De Fragata, Armada De Chile, Estado Mayor, Ministerio De Defensa, Plaza Bulnes S/N, Santiago. Cable, 394321.

• **36620—TURKEY**—TRT Kurumu Genel Mudurlugu, Genel Evrak Mudurlugu, Nevzat Tandogan Caddesi, No. 2, Kavaklidere, Ankara, has issued a tender for supply of 13 VHF/FM broadcast transmitters, mono and stereo broadcast, pilot tone system, 87.5-108 MHz band, program input and monitoring equipment, control desks, automotive voltage regulators, antenna equipment and feeders, etc. Eleven stations will use 5 KW power, and two will use 10 KW. Bid deadline, Oct. 27. Copy of specifications available from Modern Translation Bureau, Karanfil Sokak 36/7, Yenisehir, Ankara.

• **36620—TURKEY**—TRT Kurumu Genel Mudurlugu, Genel Evrak Mudurlugu, Nevzat Tandogan Caddesi No. 2, Kavaklidere, Ankara, has issued a tender for supply of all equipment for a 100 KW, 155-264 KHz (LW) radio broadcast station, to be installed for parallel operation with an existing Marconi BD 219-100 KW (LW) broadcast transmitter. Bid deadline, Oct. 27. Copy of specifications available from Modern Translation Bureau, Karanfik Sokak 36/7, Yenisehir, Ankara, for US$35 per copy.

Electronic components, accessories

• **36740—INDIA**—Directorate General of Supplies and Disposals, Parliament St., New Delhi 110001, has issued tender No. 209/35/016/16.7.76/Cell 339 for supply of transistors and diodes. Bid deadline Oct. 16. Copy of specifications available from India Supply Mission, 2536 Mass. Ave., NW., Washington, D.C. 20009.

Electrical machinery, equipment, supplies

• **36930—MALAYSIA**—Secretary General (Defense Production), Ministry of Defense, Jalan Padang Tembak, Kuala Lumpur 15-03, has issued tender No. KP/PP (T4)/76 for supply of X-ray equipment for armed forces hospital at naval base at Lumut, Perak. Bid deadline Oct. 21. Copy of specifications available from above address.

Engineering, laboratory, scientific, research instruments

• **38110—MALAYSIA** — Bursar University Science Malaysia, Minden, Penang, has issued tender no. WBSE/76/PM/BI for supply of electronic workshop equipment for use in school of physics and mathematics, and scientific equipment for use in school of biological sciences. Bid deadline Oct. 25. Copy of specifications available from above address at M $50 (US $1 equals approximately M $2.50).

Instruments for measurement, analysis and control

• 38240—COLOMBIA—Division de Licitaciones y Contratos, Instituto Nacional de Fomento Municipal, Insfopal Centro Administrato Nacional, Bloque 2, Of. 321, Bogota, has issued tender no. 020-BIRF-1072-CO for supply of 100,000 consumption-registering water meters of one-half inch diameter. Bid deadline Nov. 5. Copy of specifications available from above address at 2,000 pesos (US $57) for first copy and 500 pesos (US $14) each additional copy.

Surgical, medical, dental instruments

• 38420 — SRI LANKA — Chairman, Tender Board, Ministry of Health, P.O. Box 584, Colombo, has issued Tender No. COM/TEN/76/248 for supply of bandages, gauze and absorbent cotton. Bid deadline Nov. 2. Copy of specifications available from Embassy of Sri Lanka, 2148 Wyoming Ave., NW., Washington, D.C. 20008.

• 38430—ECUADOR — Secretario del Comite de Licitaciones, Ministerio de Salud Publica, Juan Larrea 444, Quito, has issued tender No. 8.85—: 89N No. 02-76 M.S.P. for supply of dental equipment, instruments and supplies. Complete specifications and bid documents must be purchased from above address, at $400, not refundable. Bid deadline Oct. 13.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Industrial chemicals, machinery

2819XXX, 2869598, 2861283, 2843071, 3559589, 3559562 — INDIA — Tanning agents, synthetic organic and inorganic. Also, natural tanning and dyeing materials and chrome tanning mixtures; leather finish agents. Also, leather tanning machines; leather footwear machinery & other leather goods machinery. Inquirer wishes to rep. U.S. mfrs. of listed items. Claims to hold Bachelor of Technology Degree in leather technology. Was with Bata Shoe Co. for a year as senior trainee in production dept., now employed in a leading firm which mfrs. chemicals. Plans to estab. firm for starting agency business. Write to R. Balakrishnan, 5 Third Main Rd., Raja Annamlaipuram, Madras 600028.

Special industrial machinery

3559555—NETHERLANDS — Machinery for processing & handling of glass. Estab. 1955, staff 6. Auth. capital Fls. 150,000. Paid in Fls. 32,000. Annual sales Fls. 20,000,000. Bankers-Amro-Bank NV, Van Baerlestraat, Amsterdam. Agents for Pickington Bros. Ltd., glass manufacturers, St. Helens, Lanc., UK. Recommend all transactions on secured basis. Reply to—J. Van Munster, Mgr., George Van Vorstenberg Glasagenturen BV, Jan Luykenstraat 14, P.O. Box 5177, Amsterdam. Twx: 12491; tel: 020/731951. Excl. ag. &/or distrib.

Electrical industrial apparatus

3621051—AUSTRALIA — Plumbing fixtures-earthenware. Firm estab. 1946 & employs 30. Imports from Japan, Korea, Taiwan, Hong Kong, Italy, France & U.K. Exports to South Africa, Pacific Islands & Iran. Trade Ref.: American Polarizers Inc., 1500 Spring Garden St., Philadelphia, Pa. 19101. Co. is listed on MITI (Japan) preferred list. Needs prices quoted in C&F. Reply to: John M. Petterson, Mng. Dir., Wolkenberg International Pty. Ltd., 374 Nicholson St., Fitzroy, Vic. 3065. Cable: ELWOL Melbourne; Telex: AA33705; Tel.: 03-41-5059.

Security (anti-shoplifting) equipment

3662697, 3662310 — AUSTRALIA — Interested in agency for broad range of equip. systems, procedures. Immediate interest in anti-theft tags for garments. Direct sale or mfr. under license or as joint venture. Est. value for tags expected to be about $1 million/year. Anxious to hear from U.S. suppliers. Reply to William J. Sheehan, Dir., Currency Handling Systems (Australia), Pty. Ltd., 28-30 Langley St., Darlinghurst, N.S.W. 2010. Cable: ASPINTERNATIONAL; telex AA 25584; tel. 33 4334.

Scrap & waste

5093XXX — KOREA — Scrap & waste materials — waste paper or corrugated carton paper. Est. monthly requirement — 5,000 m/t. Est. unit price — $90. Seeks private offers & delivery terms along with proposal for agency agreement. Claims to have located market for above supply. If terms are right, firm states that it will negotiate long-term contract. Est. in 1975 & has 3 salesmen. Registered offer agent. Official status required in Korea to rep. foreign suppliers & submit price quotations in own name. Reply to — Hong K. Lee, Pres., Crown International Corp., CPO Box 797, Seoul 100. Cable: COWMANINTER; Telex: MIKWANG K27329; Tel: 776-9393. Excl. agency.

Visiting Buyers & Officials

AUSTRALIA—V. A. Rose, Manager of Marine Garment Division, Driclad Distributors, is interested in hearing from U.S. suppliers of **polyvinylchloride or polyurethane or similar fabrics which can be joined by high frequency electric welding.** He is also interested in **closed cell foam material for life jackets.** His firm manufactures waterproof sporting and sailing garments as well as inflatable life jackets. Rose plans to visit the following cities: Los Angeles, arriving Sept. 25; Chicago, Sept. 29; Seattle, Oct. 6; Portland, Oct. 8; San Francisco, Oct. 10. He may be contacted through Theresa Rettig, Foreign Buyer Program, Room 2322, U.S. Department of Commerce, Wash. D.C. 20230; 202-377-3265.

PAKISTAN—Pervaiz Zia, Export Manager, Farmeh Seniors, Lahore, is visiting New York to buy **artificial leather** in running lengths, width between 45 and 54 inches. Zia wants to sign initial agreement for trial shipments worth $20,000 to $25,000, and may be contacted through Bill Corfitzen, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-2068.

SWEDEN—Gosta Larsen and Ake Landborn, representing Agriconsult AB, Malmo, are visiting the U.S. to purchase **slaughterhouse equipment and food processing machinery** and to visit plants using such equipment. They are also interested in research establishments in this field. Agriconsult is a large consulting firm for the farming and food processing industries; 60 percent of firm's business is outside Sweden, chiefly in Middle East. Reliable credit source recommends business relations. Arrived New York, mid-September. Plan to visit Chicago, Sept. 27-28; Rockford, Ill., Sept. 28; Louisville, Sept. 29; Kansas City, Sept. 30; Sandy, Utah, Oct. 4; San Francisco, Oct. 5-8; Los Angeles, Oct. 9-11; Amarillo, Tex., Oct. 12; Gainesville, Tex., Oct. 13; Atlantic City, Oct. 14. Visitors will contact Commerce District Offices wherever possible. Contact Bill Corfitzen, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-2068.

THAILAND—Billy J. Hwang and Jack Hwang, Bangkok, will visit **suppliers of electronic PABX systems with capacity of 2-10 telephone lines and 10-60 extension stations, including automatic dialing and answering devices, and telephone security equipment.** They would prefer to import in form of components for assembly in Thailand. They will be visiting San Francisco, Los Angeles, New York, and Boston, each for 3-7 days. Their contact address is: C/O San-Lo Co., Ltd., 1307 South Shantee St., Los Angeles, Calif. 90015; 213-749-3833. Foreign Buyer Program, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-3265.

YUGOSLAVIA — Six managers of the Alumina Division of the Yugoslav Enterprise Energoinvest are planning a visit to New York and Chicago Oct. 2-23. Energoinvest wishes to manufacture **aluminum windows, door frames, roofing, siding, fencing and similar goods.** Purpose of the trip is to visit factories and meet U.S. suppliers of aluminum equipment. They estimate purchases will exceed $250,000. Group will be accompanied by English-speaking engineer. They would appreciate as many visits as possible. American firms interested in meeting Energoinvest officials should contact the U.S. Department of Commerce, Foreign Buyer Program, Bill Corfitzen, Room 2322, Wash. D.C. 20230, 202-377-2068.

SWEDEN—Inge Strinnvik of Stockholm is interested in hearing from U.S. suppliers of piezo-electric ceramic; rechargeable lead, acid or gel batteries for primary and secondary uses; trimming potentiometers with cermet tracks; dials for multiturn potentiometers, digital and analogue types; chip components such as resistors, capacitors and transistors compatible to MOS and hybrid circuits. He may be contacted through Theresa Rettig, Foreign Buyer Program, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3265.

☆ U.S. Government Printing Office: 1976, 210-923/32

Commerce Building 14th Street and Constitution Ave., NW.,
Washington, D.C. 20230, (202) 377-2000

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Anchorage, 99501, 632 Sixth Ave., Hill Bldg., Suite 412 (907) 265-5307.

Atlanta, 30309, Suite 600, 1365 Peachtree St., N.E. (404) 526-6000.

Baltimore, 21202, 415 U.S. Customhouse, Gay and Lombard Sts. (301) 962-3560.

Birmingham, Ala., 35205, Suite 200-201. 908 S. 20th St. (205) 254-1331.

Boston, 02116, 10th Floor, 441 Stuart St. (617) 223-2312.

Buffalo, N.Y., 14202, Room 1312, Federal Bldg., 111 W. Huron St. (716) 842-3208.

Charleston, W.Va., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. (304) 343-6181, Ext. 375.

Cheyenne, Wyo., 82001, 6022 O'Mahoney Federal Center, 2120 Capitol Ave. (307) 778-2220, Ext. 2151.

Chicago, 60603, Room 1406, Mid-Continental Plaza Bldg., 55 E. Monroe St. (312) 353-4450.

Cincinnati, 45202, 10504 Federal Office Bldg., 550 Main St. (513) 684-2944.

Cleveland, 44114, Room 600, 666 Euclid Ave. (216) 522-4750.

Columbia, S.C., 29204, Forest Center, 2611 Forest Dr. (803) 765-5345.

Dallas, 75202, Room 7A5, 1100 Commerce St. (214) 749-1515.

Denver, 80202, Room 165, New Custom House, 19th and Stout Sts. (303) 837-3246.

Des Moines, Iowa, 50309, 609 Federal Bldg., 210 Walnut St. (515) 284-4222.

Detroit, 48226, 445 Federal Bldg., 231 W. Lafayette (313) 226-3650.

Greensboro, N.C. 27402, 203 Federal Bldg., W. Market St., P.O. Box 1950. (919) 378-5345.

Hartford, Conn., 06103, Room 610-B, Federal Office Bldg., 450 Main St. (203) 244-3530.

Honolulu, 96813, 286 Alexander Young Bldg., 1015 Bishop St. (808) 546-8694.

Houston, 77002, 1017 Old Federal Bldg., 201 Fannin St. (713) 226-4231.

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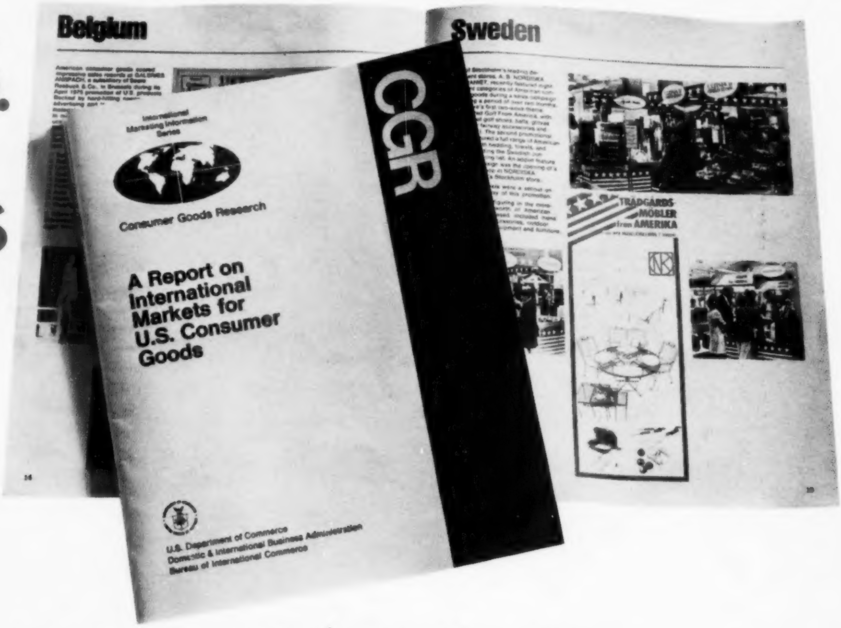
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